

**State of Louisiana  
Comprehensive Annual Financial Report  
for the Year Ended June 30, 2003**

**M. J. AMIKE@FOSTER, JR.**  
Governor



Prepared By  
**DIVISION OF ADMINISTRATION**  
**MARK C. DRENNEN**  
Commissioner



## *On the Cover*

In 2002, the Louisiana Department of Tourism held a contest to create a poster commemorating the Louisiana Purchase Bicentennial. The poster designed by Ryan Tyler won and was adopted as the official Louisiana Purchase Bicentennial Poster. His poster helped shape the theme for this historical milestone. At the time of the contest Mr. Tyler was completing his degree in Graphic Design from Louisiana Tech University, where he graduated *Magna Cum Laude*. Currently Mr. Tyler is employed as a

Production Designer designing Web interfaces for clients all over the world.

The poster includes the diversity of only a small part of the Louisiana Purchase. The images include wildlife, agriculture, forestry, outdoor sporting activities, and the rich cultures in Louisiana.

Mr. Tyler's design is a work of art exemplifying the diversity that is and has been Louisiana.



M. J. "Mike" Foster, Jr.

Governor

State of Louisiana

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# State of Louisiana

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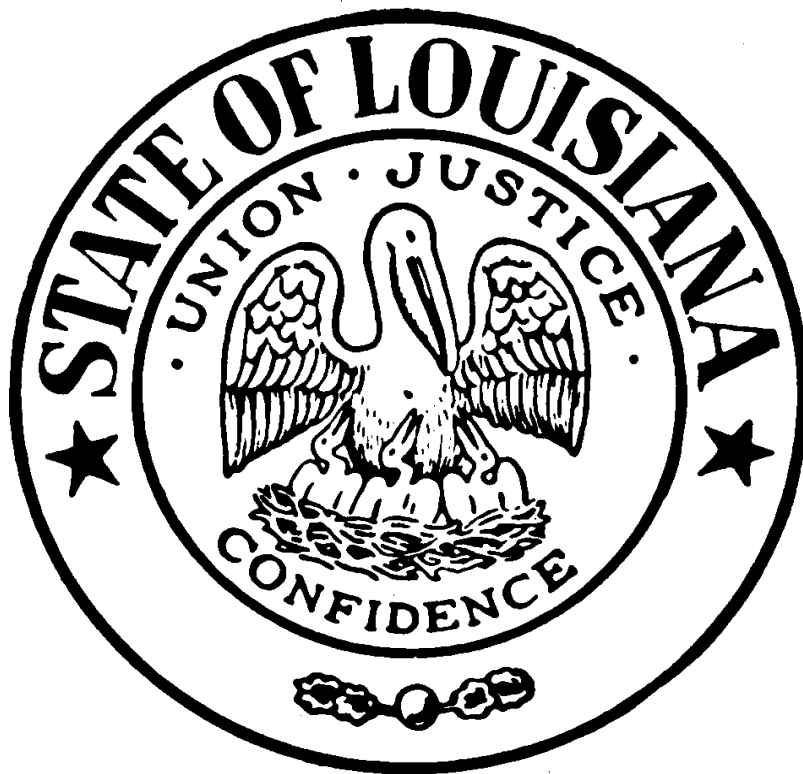
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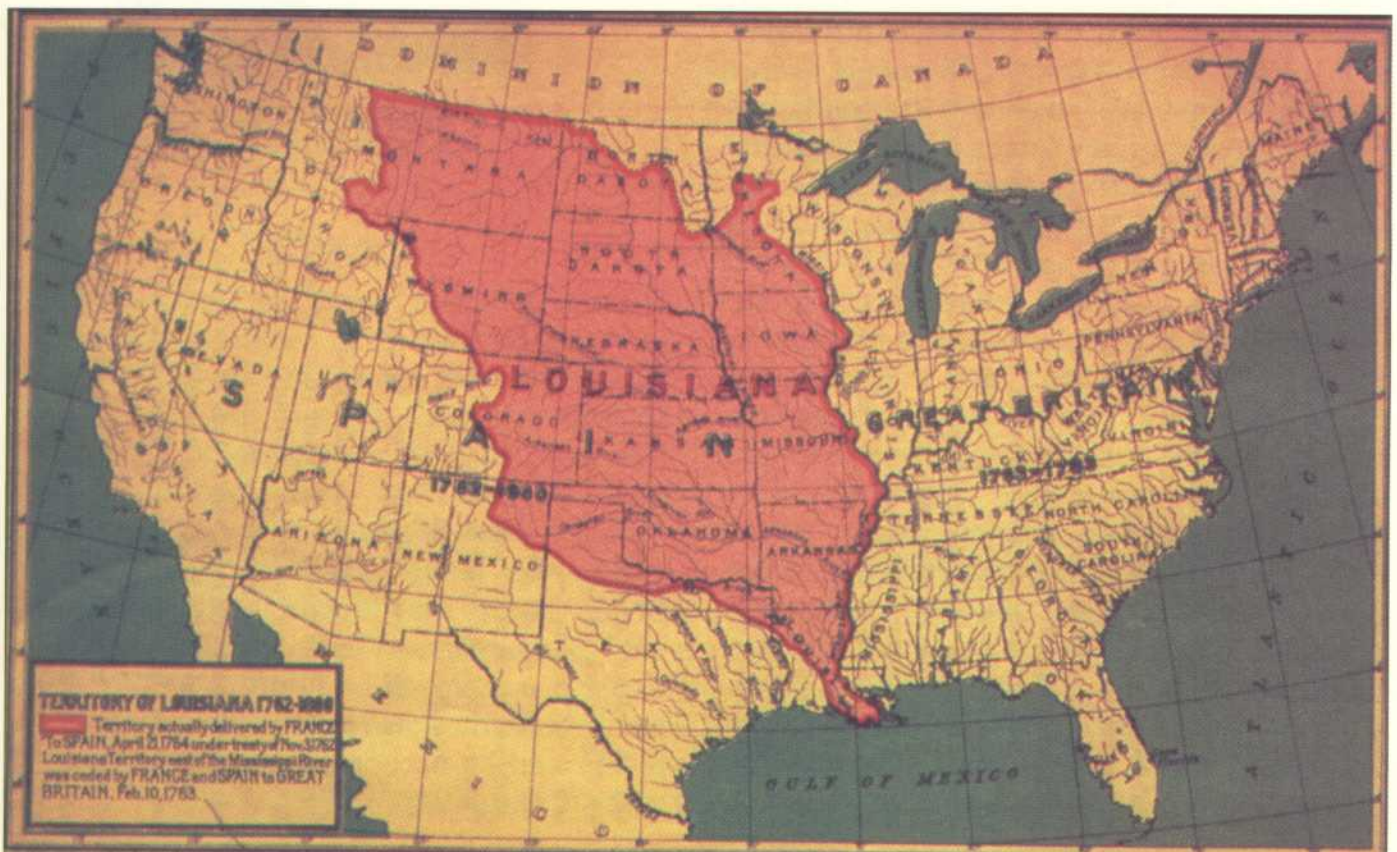
# *The Story of the Louisiana Purchase*

***"Let the Land rejoice, for you have bought Louisiana for a Song."***

General Horatio Gates to President Thomas Jefferson, July 18, 1803

Robert Livingston and James Monroe closed on the biggest real estate deal in American History and one of the largest in world history when they signed the Louisiana Purchase Treaty in Paris on April 30, 1803. The territory of Louisiana was approximately 827,987 square miles of land extending from the Mississippi River to the Rocky Mountains, excluding Texas, and stretching from the Gulf of Mexico to the Canadian border. The price

was about \$15 million; \$11,250,000 was to be paid directly, with the balance to be covered by the assumption by the United States of French debts to American citizens. This amounted to a cost of about four cents per acre. A nation barely a generation old doubled in size overnight and became one of the largest nations in the world. Eventually all or parts of 15 states were formed out of the region.



***The Louisiana Purchase***

Courtesy of Louisiana State Museum, Gift of Mr. and Mrs. Alfred Pardee





## ***Reasons for the Purchase***

In the eighteenth century, Americans were busy planting crops and building towns. They shipped their surplus crops and livestock to markets by boat down the Mississippi. In a treaty of 1795, Spain agreed to give Americans the "right of deposit" at New Orleans. This right allowed Americans to store in New Orleans, dutyfree, goods shipped for export. New Orleans was an expanding and prosperous port city.

Emperor Napoleon Bonaparte envisioned a western empire for France, and his schemes included the recapture of the Louisiana Territory from Spain. He wished to halt westward expansion of the United States and supply French colonies in the West Indies with the goods they needed. Spain suspended the right of deposit in 1798, arousing a strong reaction among the settlers in the United States. In 1800, Spain transferred Louisiana to France in the secret Treaty of San Ildefonso, an agreement that stipulated that France would provide Spain with a kingdom for the son-in-law of Spain's king if Spain would return Louisiana to France. Napoleon's plan collapsed when the twelve-year revolt of slaves and free blacks in the French colony of Santo-Domingo succeeded. After the revolt, French troops were forced to return to France defeated, never reaching their ultimate destination, Louisiana. Since Napoleon could not take over Santo-Domingo, he did not need Louisiana either. Having suffered through the horrors of revolution, France sought stability and needed money to maintain and expand forces in Europe.

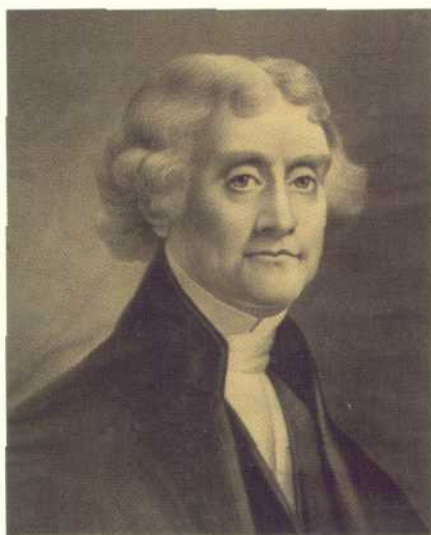


***Napoleon Bonaparte***

*Courtesy of Louisiana Old State Capitol*

## ***The Offer***

Thomas Jefferson hoped that Louisiana would someday be part of an "American Empire for Liberty." He sent James Monroe and American Minister to France, Robert Livingston, to discuss with the French the possible purchase of New Orleans. They were astonished when Francois Barbe-Marbois, at Bonaparte's order, offered the entire Louisiana Territory to the United States. They agreed to purchase it for a total of nearly fifteen million dollars. A treaty of Cession was signed on April 30, 1803 in Paris. All of Louisiana would now be part of the United States and its occupants would enjoy the full rights of citizenship.



**America's Thomas Jefferson**

*Courtesy of LA State Museum*



**James Monroe**

*Courtesy of LA State Museum, Gift of Mr. Robert Glen*



**Robert Livingston**

*Courtesy of LA State Museum*



**Francois de Barbe-Marbois**

*Courtesy of LA State Museum*





## ***The Acceptance***

Jefferson was concerned about the legality of purchasing Louisiana before the Senate could ratify the agreement, but he supported the decision made by Monroe and Livingston.

On October 20, 1803, the Senate approved the Treaty of Cession and, shortly thereafter, the transfer of power took place in New Orleans.



***The Treaty of Cession***

*Courtesy of National Archives and Records Administration*

On December 20, 1803, in New Orleans' Place d'Armes, a public square near the Mississippi River, French authorities handed over lower Louisiana to its first American Governor, William C.C. Claiborne. This event would start the United States on its way to world power.



***William C.C. Claiborne***



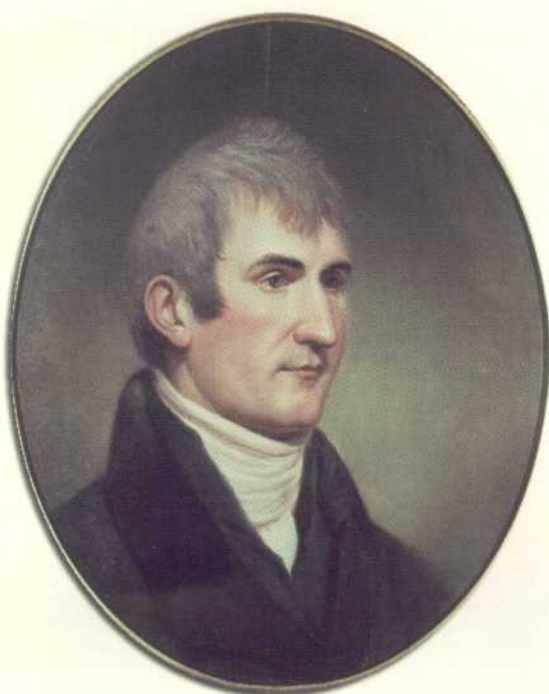
***Raising of the American Flag: The Louisiana Purchase Transfer Ceremony***

*Courtesy of the Louisiana State Museum, Loan of the Louisiana Historical Society*





## ***The Lewis and Clark Expedition***



***Captain Meriwether Lewis***

Before he knew that France was willing to sell Louisiana, President Thomas Jefferson had planned an expedition by Lewis and Clark to look for a water route to the Pacific coast and to collect information about Louisiana and its inhabitants, land, animals, and plants.

Heading the expedition were Captain Meriwether Lewis and Lieutenant William Clark, both of Virginia and both officers in the U.S. Army. Thirty year-old Lewis was an expert hunter with much experience exploring various eastern wilderness areas. Upon his appointment as one of the expedition leaders, Lewis went to Philadelphia to study botany, zoology, and navigation. Clark was thirty-three and was quite experienced in dealing with Indians. He had fought in a number of campaigns against Native Americans, but he had also learned much about



***Lieutenant William Clark***

various Indian cultures, coming to respect the people and their customs. Additionally, he was the map-maker and expedition artist and would produce a host of very detailed maps as well as excellent paintings of Louisiana wildlife. The rest of the Corps of Discovery were some forty healthy young men, among whom were meteorologists, botanists, zoologists, gunsmiths, carpenters, and boat operators.

They collected supplies and equipment and on May 14, 1804, the entire expedition set sail up the Missouri River. Over the next year and a half, the party traveled the length of the Missouri River, crossed the Rockies and the Continental Divide, and canoed down the Clearwater, Snake, and Columbia Rivers to the Pacific Ocean, which they reached on November 15, 1805. The return trip took almost





another year, with the corps arriving back at St. Louis on September 23, 1806.

Sacagawea, with her infant Jean Baptiste, was the only woman to accompany the party to the Pacific Ocean and back. The little frolicking boy rode with Sacagawea in the boats and on her back when they traveled on horseback. She was incredibly valuable to the Corps as it traveled westward since many Indians had never seen white men before. When they saw Sacagawea, they were inclined to believe the white men were friendly. Since Sacagawea was from the Shoshone tribe, she interpreted the language where Shoshone was spoken. On the return journey, she proved to be a valuable guide because she remembered Shoshone trails from her childhood.

Six years after the expedition, Sacagawea gave birth to a daughter, Lisette. At age 25 she died.

Eight months later Clark adopted both of her children.

Lewis, Clark, and company finally put an end to the myth of a water passage to the west coast. More importantly, they brought back maps marked accurately with latitude and longitude. They provided descriptions of hundreds of birds, fish, animals, plants, and trees in diaries and journals. The Corps also collected many living and dead animal and plant samples. Among the live specimens that eventually arrived in Washington, D.C. was a prairie dog. The Corps also established friendly relations with dozens of Native American tribes, many of whom wanted trade with the United States.

As Dale van Every writes, "As a physical and moral achievement the undertaking had been a monumental success .... As practitioners of the art of exploration, they were truly professionals."

# Louisiana Purchase

1803



2003

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B I C E N T E N N I A L



# I. INTRODUCTORY SECTION



# **State of Louisiana**

## **DIVISION OF ADMINISTRATION OFFICE OF THE COMMISSIONER**

**M. J. AMIKE@FOSTER, JR.**  
GOVERNOR

**MARK C. DRENNEN**  
COMMISSIONER OF ADMINISTRATION

December 3, 2003

To: The Honorable M.J. "Mike" Foster, Jr, Governor,  
Members of the Legislature, and the  
People of the State of Louisiana

It is my privilege to present the Comprehensive Annual Financial Report (CAFR) on the financial condition of the State of Louisiana for the fiscal year ended June 30, 2003. The report was prepared in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and Louisiana Revised Statutes.

The Division of Administration, Office of Statewide Reporting and Accounting Policy prepared the CAFR, with the objective of reporting the government operations as a single unified entity, in addition to providing traditional fund-based financial statements.

The Division of Administration is responsible for the accuracy, completeness and fair presentation of the data, representations and disclosures presented in the CAFR. To the best of our knowledge and belief, the data presented are accurate in all material respects, reported in a manner designed to fairly present the financial position and results of operations and provide disclosures necessary to enable the reader to gain an understanding of the financial activities and condition of the State.

The reporting entity of the State includes all primary government funds, plus the activity of component units for which the State is financially accountable. Determination of the component units to be included in the CAFR was made in accordance with criteria established by GASB and is presented in Note 1A to the financial statements.

The CAFR is organized as follows:

- Introductory section containing background and organizational information on the State and summaries of some current initiatives
- Financial section including the independent auditor's report, Management's Discussion and Analysis (MD&A), Government-Wide Financial Statements, Fund Financial Statements, Notes to the Financial Statements and Required Supplementary Information. The financial section also includes the combining statements of the individual funds.
- Statistical section presenting financial, economic, and demographic data for Louisiana.

GASB requires that management provide a narrative introduction, overview and an analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditor's report.

## **INDEPENDENT AUDIT**

The State of Louisiana's basic financial statements have been audited by the Office of Legislative Auditor. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the State for the fiscal year ended June 30, 2003, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the basic financial statements of the State of Louisiana for the year ended June 30, 2003, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the State of Louisiana was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited internal controls of the government and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the separately issued Single Audit Report for the State of Louisiana.

## **ACCOUNTING AND BUDGETARY CONTROL**

Management is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to provide for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. We believe that the internal accounting controls of the State adequately safeguard assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Final financial control is exercised through the budgetary system. Financial statements are presented in conformity with GAAP and are also presented on a non-GAAP budgetary basis to demonstrate legal compliance. Variances between the GAAP and Non-GAAP budgetary presentations are caused by differences in reporting entity, accounting basis and timing. The budgetary process is further described in Note 1 to the financial statements and a reconciliation between GAAP and non-GAAP budgetary basis fund balances is presented as required supplemental information.

## **PROFILE OF THE GOVERNMENT**

Located on the Gulf of Mexico and bounded by Arkansas, Texas and Mississippi, Louisiana occupies a land area of 43,411 square miles and serves a population of 4,483,000. The Executive, Judicial and Legislative Branches govern the State as provided by the State Constitution of 1974.

The State provides a variety of services to citizens including education, health care, public safety, road and highway development and maintenance, and recreation. These services are financed primarily through taxes, fees, mineral royalties and federal revenues, which are accounted for by various funds (general fund, special revenue funds, capital project funds, etc.).

Major industries in Louisiana include agriculture, fishing, and processing of mineral resources. The State leads the nation in the production of salt and sulfur and ranks high in the production of crude petroleum, natural gas, and natural gas liquids. The State rapidly industrialized in the 1960's and 70's and has giant oil refineries, petrochemical plants, foundries, and lumber and paper mills. Four of the ten busiest U.S. ports are located in Louisiana along the lower Mississippi River (New Orleans, South Louisiana, Baton Rouge, and Plaquemines).

The State financial reporting entity includes 51 active component units, which are reported discretely in the financial statements. These component units include colleges and universities, boards and commissions, ports, levee districts, and other special purpose authorities.

## **CASH MANAGEMENT**

The State Treasurer is responsible for managing all cash and investments, with the exception of certain component units included in the reporting entity that have independent powers to manage and invest their funds. During fiscal year 2003, cash management and investment transactions managed by the State Treasurer included checking accounts, certificates of deposit, U.S. government and agency obligations, commercial paper, repurchase agreements, and security lending agreements. Legal requirements for the investment of funds maintained by the State Treasurer are discussed in Note 2 to the financial statements.

For fiscal year 2003, the Treasury earned \$107,514,714 on its fixed-income investments for the General Fund. The investments earned a cash rate of return of 4.00% during fiscal year 2003, which is a 12.7% decrease from the 4.58% rate that earned \$126,312,075 in the previous year. By comparison, the thirty-day Treasury bill averaged 1.28% and the two-year Treasury note averaged 5.64% during the same period.

The fixed income and equity investments of the Louisiana Education Quality Trust Fund earned a total rate of return of 12.1% for the 2003 fiscal year, which is a 764% increase from the 1.4% rate of return reported for the 2002 fiscal year.

## **RISK MANAGEMENT**

The primary government, through the Office of Risk Management, retains risk for property, casualty, and worker's compensation insurance, as well as coverage for all State property, with virtually no upper limits. Auto liability, comprehensive, and collision coverage is

provided for the State fleet and other coverage, such as bonds, crime, aviation, and marine insurance, is provided as needed.

## PENSIONS

State employees may be eligible to participate in the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, or the Louisiana State Police Retirement System, depending on their employing agency. Further information on the retirement systems can be found in Note 6 to the financial statements.

**ECONOMIC OUTLOOK** This economic discussion is an excerpt from the executive summary of The Louisiana Economic Outlook: 2004 and 2005 22<sup>nd</sup> Annual Edition, by Loren C. Scott, James A. Richardson and A.M.M. Jamal, published in September 2003.

Louisiana will be returning to the growth mode during 2004-05 after three years of decline in which the State lost 1.2% of its workforce. The chemical industry will continue to slide because of high natural gas prices, but the transportation equipment manufacturing industry should offset this loss somewhat. Large military contracts will boost the shipbuilding industry and General Motors will open a new automotive plant. With several large construction projects planned, the construction industry will recover those jobs lost with the industrial construction decline associated with the chemical industry losses.

As the State economy picks up, the retail trade, professional services, and transportation industry should return to a better growth status. Health care will continue to be a major source of new jobs.

Louisiana improved from 45<sup>th</sup> to 41<sup>st</sup> in the ranks of per capita income among the 50 states due to a much milder hit from the national recession than most other states. Personal income growth should also rise accordingly in 2004.

## MAJOR INITIATIVES

Three bond rating agencies, Fitch, Standard & Poor's, and Moody's, have raised Louisiana's bond rating based on its improved financial profile. Fitch and Standard & Poor's raised the rating from an A to an A+ and Moody's went from a bond rating of A2 to A1. Contributing factors in the bond rating upgrade are due to the number of changes in the financial stability of the State, which has stabilized the credit outlook with a continued conservative approach to managing the budget and debt, as well as a strong cash position. These bond rating increases were instrumental in helping Louisiana borrow money at a record low interest rate for the sale of \$290.8 million in general obligation bonds for approved capital outlay projects.

Other noteworthy economic developments are the new industrial additions and expansions coming to the State that will result in new high quality jobs. Some of these are: Sasol North America, Inc., a chemicals manufacturer and marketer; Plastipak Packaging, Inc., a plastic bottling facility supplying Procter & Gamble; Conrad Aluminum, LLC, an aluminum fabrication facility; and four high tech companies that specialize in geospatial areas that provide satellite and aerial imaging. These new industries are reflective of the positive changes that are being made to economic development and incentive programs that have been put into place as part of the long-term economic development master plan, *Louisiana: Vision 2020*.

## **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Louisiana for its CAFR for the fiscal year ended June 30, 2002. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation in government financial reporting.

In order to be awarded a Certificate of Achievement, a government must publish a CAFR that is easily readable and efficiently organized, and whose contents conform to program standards. The CAFR must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **ACKNOWLEDGEMENTS**

In conclusion, I wish to express my appreciation to the staff of the Office of Statewide Reporting and Accounting Policy for their professionalism, dedication, and expertise in preparing this report, as well as their commitment to maintaining the highest standards of accountability in financial reporting. I also wish to thank the agency fiscal officers and accountants whose contributions helped make this report possible.

Sincerely yours,



Mark C. Drennen  
Commissioner of Administration

MCD:FHK

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# CERTIFICATE OF ACHIEVEMENT

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## State of Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# State of Louisiana

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## PRINCIPAL STATE OFFICIALS

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### Executive (Elected)

M. J. (Mike) Foster, Jr.  
Governor  
Kathleen Babineaux Blanco  
Lieutenant Governor  
W. Fox McKeithen  
Secretary of State  
Richard P. Ieyoub  
Attorney General  
John Neely Kennedy  
Treasurer  
Bob Odom  
Commissioner of Agriculture and Forestry  
J. Robert Wooley  
Acting Commissioner of Insurance  
Suzanne Haik Terrell  
Commissioner of Elections  
Lawrence C. St. Blanc  
Executive Secretary of Public  
Service Commission

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### Legislative (Elected)

Charles W. Dewitt, Jr.  
Speaker of the House of Representatives  
John J. Hainkel, Jr.  
President of the Senate

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### Judicial (Elected)

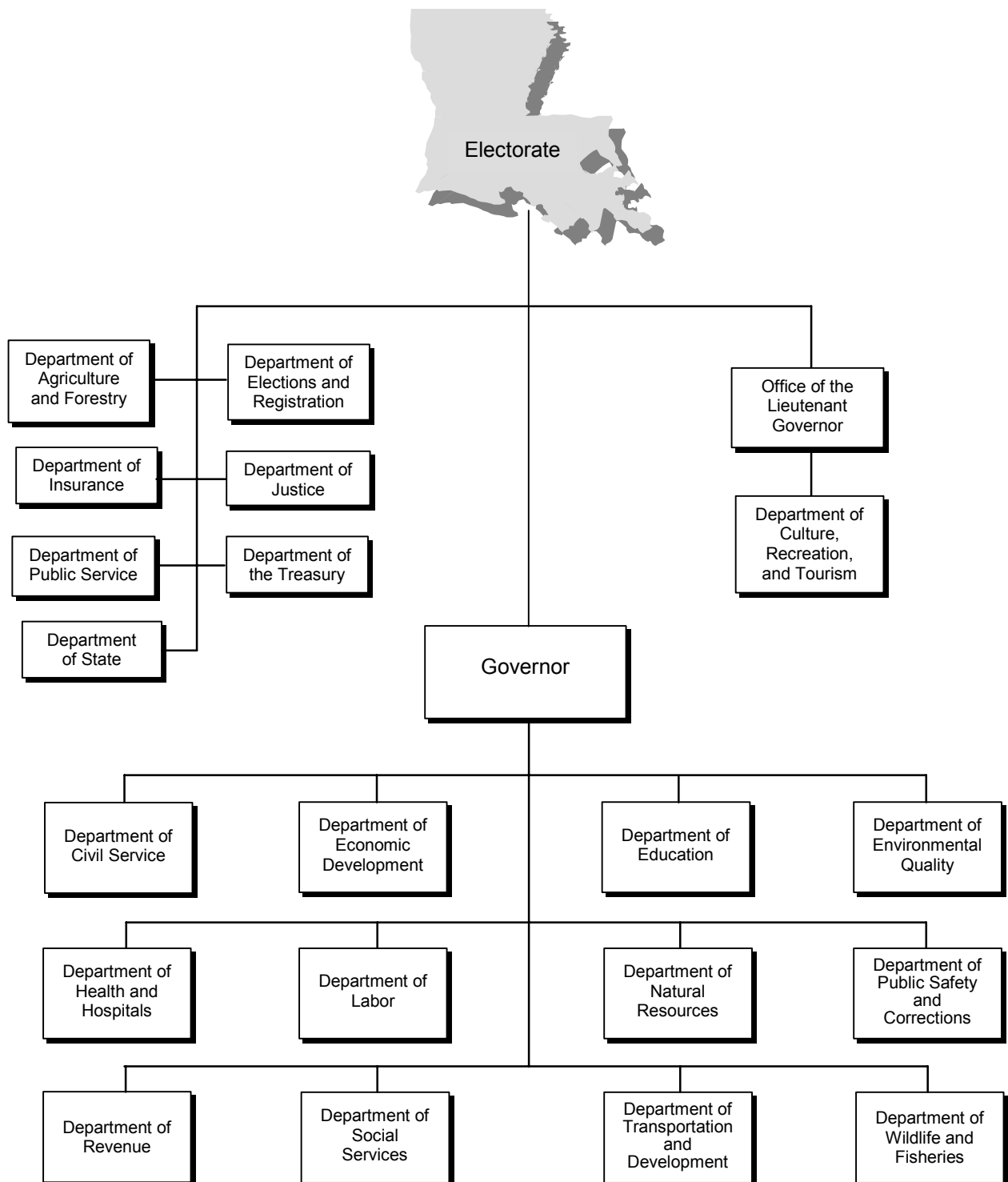
Pascal F. Calogero, Jr.  
Chief Justice of the Supreme  
Court of Louisiana

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### Executive (Appointed)

Cecil J. Picard  
State Superintendent of Education  
Don J. Hutchinson  
Secretary of Economic Development  
Phillip J. Jones  
Secretary of Culture, Recreation, and Tourism  
Hall Bohlinger  
Secretary of Environmental Quality  
David W. Hood  
Secretary of Health and Hospitals  
Gwendolyn Hamilton  
Secretary of Social Services  
Dawn R. Watson  
Secretary of Labor  
Jack C. Caldwell  
Secretary of Natural Resources  
Richard L. Stalder  
Secretary of Public Safety and Corrections  
Colonel Terry C. Landry  
Deputy Secretary Superintendent, Office of State Police  
Cynthia Bridges  
Secretary of Revenue  
Dr. Kam K. Movassaghi  
Secretary of Transportation and Development  
James H. Jenkins, Jr.  
Secretary of Wildlife and Fisheries  
Allen H. Reynolds  
Director of State Civil Service

## STATE ORGANIZATIONAL CHART





## II. FINANCIAL SECTION



OFFICE OF  
LEGISLATIVE AUDITOR  
STATE OF LOUISIANA  
BATON ROUGE, LOUISIANA 70804-9397

1600 NORTH THIRD STREET  
POST OFFICE BOX 94397  
TELEPHONE: (225) 339-3800  
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December 3, 2003

Independent Auditor's Report

Honorable Murphy J. "Mike" Foster, Jr., Governor  
Honorable John J. Hainkel, Jr., President, and  
Members of the Senate  
Honorable Charles W. DeWitt, Speaker, and  
Members of the House of Representatives  
State of Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of and for the year ended June 30, 2003, which collectively comprise the state's basic financial statements as listed in the table of contents. These financial statements are the responsibility of management of the State of Louisiana. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain pension trust funds, enterprise funds, and component units of government included within the basic financial statements of the State of Louisiana, which represent the following percentages of their related opinion units:

<u>Opinion Unit</u>	<u>Percentage of Total Assets</u>	<u>Percentage of Net Assets or Fund Balance</u>	<u>Percentage of Revenues</u>
Business-Type Activities	1%	1%	3%
Aggregate Discretely Presented Component Units	21%	33%	7%
Aggregate Remaining Funds	78%	78%	41%

Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the previously mentioned pension trust funds, enterprise funds, and component units, are based solely upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test

## LEGISLATIVE AUDITOR

December 3, 2003

Page Two

basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of June 30, 2003, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, a report on our consideration of the state's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants will be issued under separate cover. Included in this separate report is the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, which is not a required part of the state's basic financial statements. That report, upon its issuance, is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Management's Discussion and Analysis* and the budgetary comparison information presented on pages 15 through 26 and 87 through 88, respectively, are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with Louisiana Revised Statute 39:75 A.(2), the Division of Administration must submit a budget status report to the Joint Legislative Committee on the Budget by October 15 following the end of each fiscal year. This report shall indicate the balance of the budget for the state general fund and dedicated funds by comparing the official forecast for these funds to the total authorized appropriations from each fund. The budget status report reflects the balance in funds for the previous year and represents the official budget status of the state. On October 17, 2003, the Division of Administration provided an amount of \$23 million to the Joint Legislative Committee on the Budget as the projected General Fund revenue less appropriations and requirements for 2002-2003, as required by this statute. However, a budgetary fund balance at the beginning and at the end of the year for the Governmental Funds was not reported by the Division of Administration on the budgetary comparison information and, therefore, a comparison of these two amounts to actual cannot be made.



## LEGISLATIVE AUDITOR

December 3, 2003  
Page Three

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Louisiana's basic financial statements. The accompanying combining financial statements listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The combining financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section listed in the table of contents have not been subjected to the procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

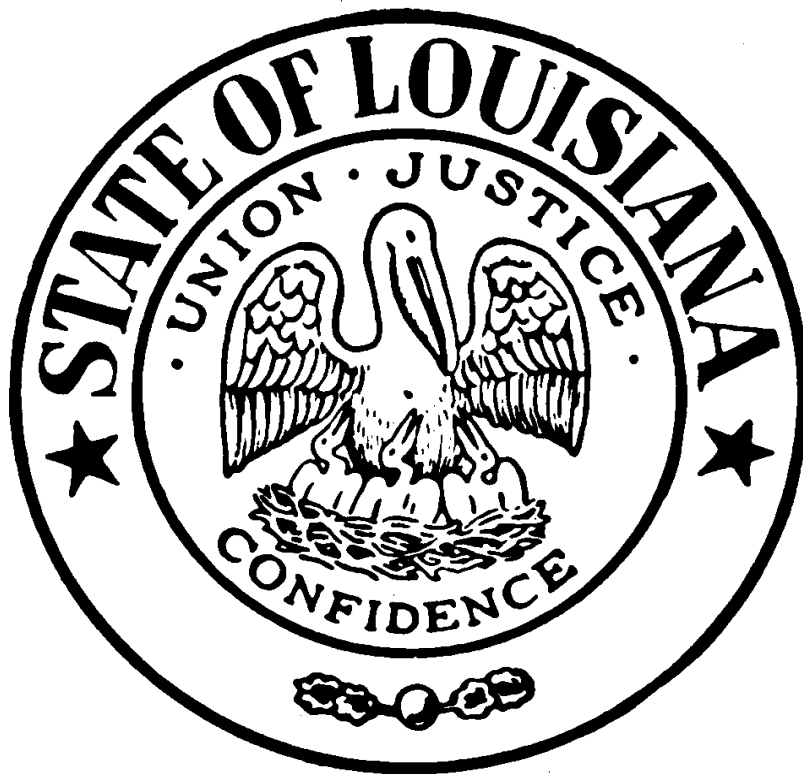
Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Grover C. Austin".

Grover C. Austin, CPA  
First Assistant Legislative Auditor

JMR:THC:AJR:dl

[CAFR03]



# MANAGEMENT'S DISCUSSION AND ANALYSIS



## **Supplement to the Story of the Louisiana Purchase**

### **Napoleon Decides to Sell Louisiana**

Santo Domingo (Haiti), the western third of the island of Hispaniola in the Caribbean, was the richest of France's holdings in the Western Hemisphere. It produced large quantities of sugar, coffee, cocoa, indigo, and cotton, which filled more than seven hundred ships a year. Over 90 percent of the population was African slaves who worked the plantation fields. In August 1791 these slaves rose up and killed or drove their white owners off the island. Three years later, France abolished slavery in Santo Domingo. A former slave, Toussaint-Louverture, became the colony's ruler. Napoleon wanted to bring Santo Domingo once more under French domination. He considered the colony's wealth essential to France's empire. He ordered his brother-in-law General Charles-Victor-Emmanuel Leclerc to gather together a force of over twenty thousand soldiers and sail to Santo Domingo and retake the island colony. When the force arrived, it was attacked as soon as it landed and beat back by

Toussaint-Louverture's army. In May 1802 Toussaint-Louverture surrendered to Leclerc when the latter pledged to make the island leader a general in the French army and treat him like an honored guest. After a month, Leclerc had Toussaint-Louverture arrested and shipped back to France, where he died in prison a year later. The French were confident that with Toussaint-Louverture out of the way and his army defeated, their victory was complete. Orders arrived from Napoleon instructing Leclerc to force all of the Africans on Santo Domingo back into slavery. When Leclerc attempted to carry out his task, he found himself confronted by a new army with new leaders. The fighting was fierce, and the French lost.

In April 1803, Napoleon had lost Haiti and faced an immediate war with England and the United States for the occupation of New Orleans. He desperately needed money. He decided to sell Louisiana.

# State of Louisiana

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the financial performance of the State of Louisiana presents a narrative overview and analysis of the financial activities of the State for the year ended June 30, 2003. This document focuses on the current year's activities, resulting changes, and currently known facts. Read this document in conjunction with the additional information contained in the transmittal letter presented on pages 1 - 5 and the financial statements of the State, which begin on page 27. All amounts included in the MD&A, unless otherwise indicated, are expressed in thousands of dollars.

### FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

*Net Assets* - The assets of the State exceeded its liabilities at the close of the fiscal year by \$14.5 billion, a 2% increase from the prior fiscal year. This amount includes \$7.1 billion, which is restricted and not available to pay the general obligations of the State.

*Changes in Net Assets* – Net assets of governmental activities increased by \$294 million (2%), while net assets of the business-type activities decreased by \$20 million (1%).

*General Fund* - On the fund statements, the unreserved undesignated fund balance for the General Fund (the primary operating fund of the State) reflects an increase of \$34 million from the previous fiscal year.

*Long-term Obligations* – The long-term obligations (as restated) for governmental activities increased by \$453 million (10%).

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the basic financial statements of the State of Louisiana, which is comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

This report also contains required supplementary information in addition to the basic financial statements.

#### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the finances of the State of Louisiana in a manner similar to a private sector business. The statements provide both short-term and long-term information about the financial position of the State, which assist in assessing the economic condition of Louisiana at the end of the fiscal year. These reports are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This basically means they follow methods that are similar to those used by most businesses by taking into account all revenues earned and expenses incurred in the fiscal year regardless of when cash is received or paid.

The government-wide financial statements include the following two statements:

The Statement of Net Assets (page 27) presents the current and long-term portions of the assets and liabilities of the State separately and is the basic government-wide statement of position at fiscal year end. Using the format of assets minus liabilities equal net assets, this statement reports the governmental activities separately from its business-type activities. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the State is improving or deteriorating.

# State of Louisiana

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The Statement of Activities (page 28) presents information showing how the net assets of the State changed as a result of current year operations and how those operations were financed. This statement presents expenses before revenues to emphasize the fact that revenues are generated expressly for providing services, rather than as an end in themselves. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused leave).

Both government-wide statements report three types of activities:

*Governmental Activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal grants). Most services normally associated with State government fall into this section and they include general government; culture, recreation and tourism; transportation and development; public safety; health and welfare; corrections; conservation and environment; and education.

*Business-type Activities* – These activities normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The business-type activities operated by the State include the Louisiana Lottery Corporation and the Unemployment Trust Fund, among others.

*Component units* – Certain component units are discretely presented as part of the State reporting entity in the government-wide financial statements due to the financial accountability of the State for these entities; however, they have certain independent qualities as well. Among the component units included are public colleges and universities, the Louisiana Stadium and Exposition District, Orleans Levee District, and the Tobacco Settlement Financing Corporation. For a list of some of the discrete component units and blended component units included in the government-wide statements, see Note 1 of the notes to the basic financial statements.

## **Fund Financial Statements**

The fund financial statements begin on page 29 and provide more detailed information than the government-wide statements by providing information about the most significant funds of the State. A fund is a grouping of related accounts used to maintain control over resources, which are segregated for specific activities or objectives. The State of Louisiana uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. For governmental activities, fund financial statements indicate how these services were financed in the short term as opposed to the government-wide statements, which present a long-term view of the State finances. The three categories into which the funds of the State can be classified are governmental funds, proprietary funds, and fiduciary funds.

*Governmental funds* account for most of the functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and the balances of spendable resources available at fiscal year end. Such information may be useful in evaluating the current financing requirements of the State. Governmental funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

GASB Statement 34 has shifted the focus of governmental funds financial statements from fund types to major funds. Louisiana accounts for its activities in 210 funds (with activity); of this total, 175 are governmental funds, 20 are proprietary funds, and 15 are fiduciary in nature. Information is presented separately on the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance for the funds determined to be major funds; the remaining governmental funds are presented in a single column on these statements. Combining statements for these funds are presented on pages 90-116 of this report.

*Proprietary funds* encompass enterprise funds and internal service funds. When the State charges customers for the services it provides, whether to outside customers (enterprise funds) or to other state agencies (internal service funds), the services are generally reported in the proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

# State of Louisiana

Proprietary funds apply the accrual basis of accounting utilized by private sector businesses. Internal service funds are used to accumulate and allocate costs internally among the various functions of the State. Because the internal service funds mainly benefit governmental rather than business-type functions, they are included in the governmental activities in the government-wide financial statements.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support State programs. The State is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The fiduciary fund category includes pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

## Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-85 of this report.

## Required Supplementary Information (RSI)

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules for the General Fund and the Medicaid Trust Fund for the Elderly (a major special revenue fund), which can be found on page 87 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The overall financial position of the primary government for the past two years is summarized in the following chart and is based on the information included in the government-wide financial statements:

**Statement of Net Assets**  
(in thousands)

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	(Restated)		(Restated)		(Restated)	
	2003	2002	2003	2002	2003	2002
Current and other assets	\$ 8,210,634	\$ 7,607,472	\$ 2,217,403	\$ 2,282,891	\$ 10,428,037	\$ 9,890,363
Capital assets	11,144,214	10,817,806	103,454	76,223	11,247,668	10,894,029
Total assets	19,354,848	18,425,278	2,320,857	2,359,114	21,675,705	20,784,392
Other liabilities	1,851,551	1,669,091	27,754	73,224	1,879,305	1,742,315
Long-term debt outstanding	5,008,497	4,555,277	298,776	271,664	5,307,273	4,826,941
Total liabilities	6,860,048	6,224,368	326,530	344,888	7,186,578	6,569,256
Invested in capital assets, net of related debt	9,963,831	9,759,185	22,036	22,628	9,985,867	9,781,813
Restricted	5,513,915	5,317,887	1,602,480	1,647,838	7,116,395	6,965,725
Unrestricted	(2,982,946)	(2,876,162)	369,811	343,760	(2,613,135)	(2,532,402)
Total net assets	\$ 12,494,800	\$ 12,200,910	\$ 1,994,327	\$ 2,014,226	\$ 14,489,127	\$ 14,215,136



# State of Louisiana

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## **Net Assets:**

As noted earlier, total net assets serve as a useful indicator of a government's financial position. Combined net assets (government and business-type activities) totaled \$14.5 billion at the end of fiscal year 2003, which represents an increase from last year of \$269 million. Total net assets do not represent amounts available for appropriation, but is composed of net assets restricted for specific purposes; invested in capital assets, net of related debt; and unrestricted net assets.

By far the largest portion of the net assets of the State, \$11.2 billion (52%), reflects investment in capital assets (e.g., land, roads, buildings, machinery, and equipment), less accumulated depreciation and any outstanding related debt used to acquire those assets. The State uses these capital assets to provide services to residents; consequently, these assets are not available for future spending. Although investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot either be used to liquidate these liabilities or it is not the intent for the capital assets to be utilized for that purpose. The capital assets of the state at June 30, 2003 represents a 3% increase from the prior fiscal year due mainly to transportation improvements discussed in more detail in the capital asset section of the MD&A.

An important factor to recognize is that approximately \$7.1 billion (49%) of the net assets of the State are restricted. Restricted net assets represent those assets not available for spending as a result of legislative or constitutional requirements, donor agreements, or grant requirements. Restricted net assets increased by \$196 million (4%) from the previous fiscal year for governmental activities and decreased by \$45 million (3%) for business-type activities.

The State, like many other state and local governments, issues general obligation debt and distributes the proceeds to local governments and component units. The proceeds are used to expand universities and colleges, fund capital maintenance, build local schools, and for various other projects. The balance sheets of the component units and local government recipients reflect ownership of the related constructed capital assets, but not the debt obligation. The State is able to receive more attractive financing arrangements to fund the projects of the local governments and component units; however, the State is left to reflect significant liabilities on its statement of net assets (balance sheet) which are reflected in the unrestricted net asset component since there are no offsetting capital assets.

The overall financial position of the State reflected a marginal increase with net assets for governmental activities increasing by 2% and net assets for business-type activities decreasing by 1%. Unrestricted net assets reflected a deficit of \$3 billion in governmental activities, a 4% increase from last year and unrestricted net assets for business-type activities increased 8% to reflect a surplus of \$370 million. Consistent with last year, the major reason for the deficit in the unrestricted net assets for governmental activities is that the State reports general obligation debt for capital assets, which are reported on the financial statements of local governments and component units, as mentioned above. Additionally, the State records the unreserved/undesignated fund balances of the special revenue funds as restricted net assets.

# State of Louisiana

## Changes in Net Assets (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	(Restated)		(Restated)		(Restated)	
	2003	2002	2003	2002	2003	2002
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 3,177,368	\$ 2,996,792	\$ 664,992	\$ 625,499	\$ 3,842,360	\$ 3,622,291
Operating grants and contributions	6,369,929	5,858,641	70,249	142,735	6,440,178	6,001,376
Capital grants & contributions	578,082	492,072	15,221	22,442	593,303	514,514
<b>General revenues:</b>						
Income taxes	2,022,765	2,054,025		-	2,022,765	2,054,025
Sales and use taxes	2,484,617	2,605,908		-	2,484,617	2,605,908
Other taxes	1,619,698	1,867,705		-	1,619,698	1,867,705
Other	840,673	1,846,026	8,297	14,275	848,970	1,860,301
Total revenues	17,093,132	17,721,169	758,759	804,951	17,851,891	18,526,120
<b>Expenses:</b>						
<b>Governmental activities</b>						
General government	2,726,764	2,392,167			2,726,764	2,392,167
Culture, recreation & tourism	69,659	71,718			69,659	71,718
Transportation and development	807,856	746,564			807,856	746,564
Public safety	291,283	289,396			291,283	289,396
Health and welfare	6,805,797	6,755,431			6,805,797	6,755,431
Corrections	625,391	609,607			625,391	609,607
Conservation and environment	274,926	298,436			274,926	298,436
Education	4,789,472	4,425,915			4,789,472	4,425,915
Other	4,793	2,042			4,793	2,042
Intergovernmental	362,099	322,025			362,099	322,025
Interest on long-term debt	149,798	117,769			149,798	117,769
<b>Business-type activities:</b>						
Louisiana Lottery Corporation			202,743	202,190	202,743	202,190
Unemployment Trust Fund			372,160	307,878	372,160	307,878
Other			95,159	95,972	95,159	95,972
Total expenses	16,907,838	16,031,070	670,062	606,040	17,577,900	16,637,110
Net Increase before transfers	185,294	1,690,099	88,697	198,911	273,991	1,889,010
Transfers	108,596	108,411	\$ (108,596)	(108,411)	-	-
Net increase (decrease)	293,890	1,798,510	(19,899)	90,500	273,991	1,889,010
Net Assets—Beginning, as restated	12,200,910	10,402,400	2,014,226	1,923,726	14,215,136	12,326,126
Net Assets —Ending	\$ 12,494,800	\$ 12,200,910	\$ 1,994,327	\$ 2,014,226	\$ 14,489,127	\$ 14,215,136

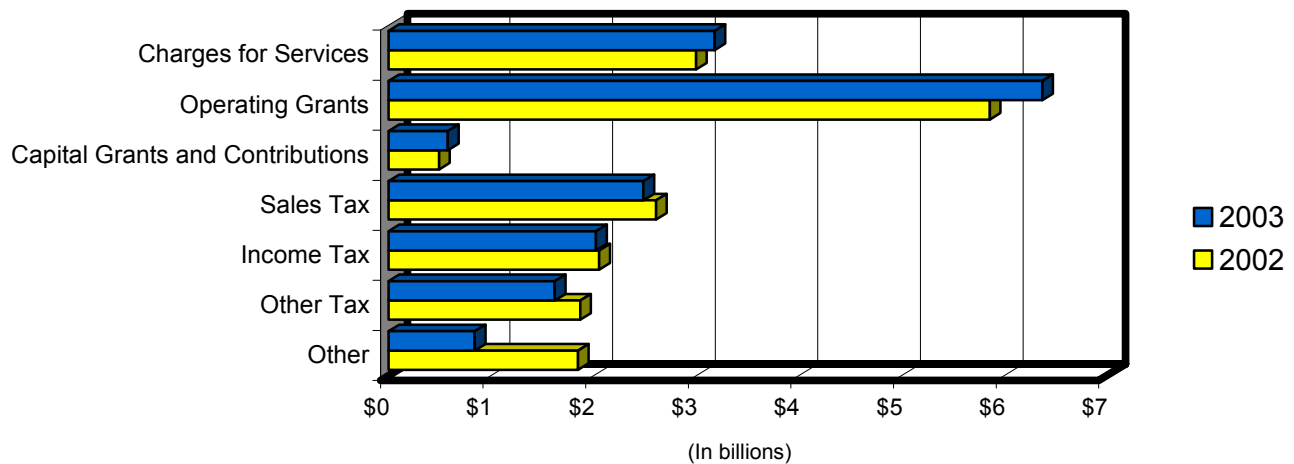
# State of Louisiana

## Change in Net Assets:

*Governmental Activities* - Net assets increased by \$289 million. Approximately 36% of the total revenue came from taxes, while 41% was in the form of grants and contributions (including federal aid). Charges for goods and services provided 19% of the total revenues (see chart below). The governmental activities expenses cover a range of services. The largest expenses were for health and welfare (40%) and education (28%) as depicted in the second chart below.

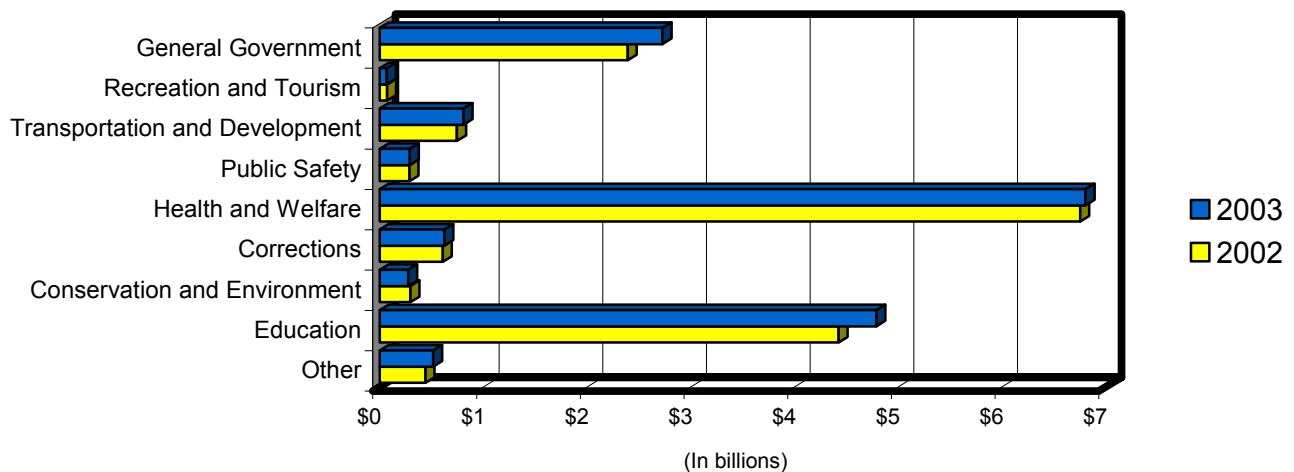
The following chart depicts the governmental activities' revenues for the 2003 and 2002 fiscal years:

**2003 & 2002 Governmental Revenues**



The following chart depicts the governmental activities' expenses for the 2003 and 2002 fiscal years:

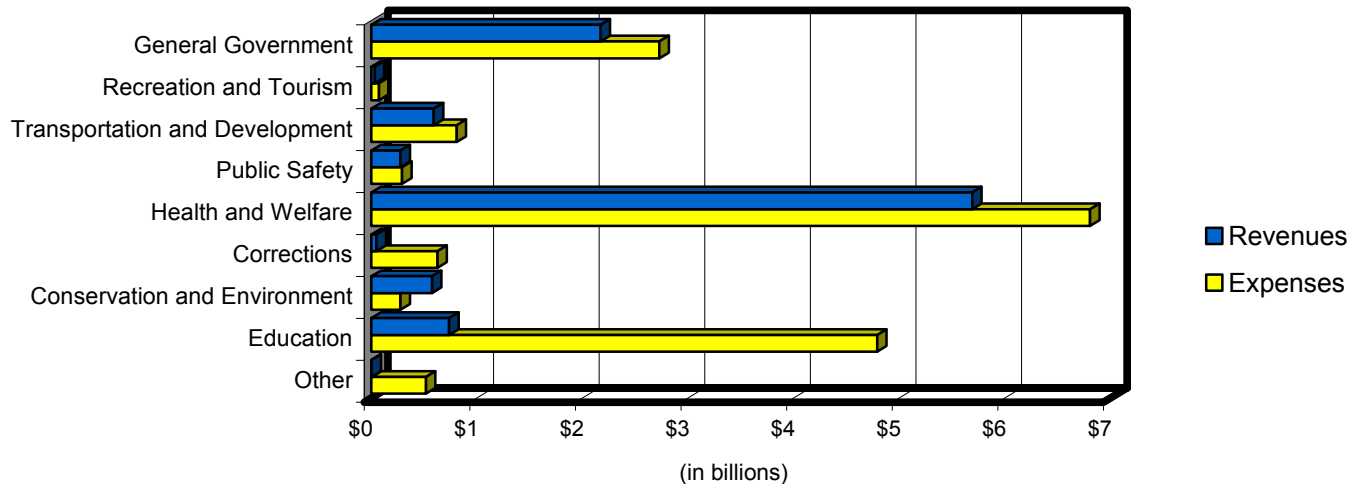
**2003 & 2002 Governmental Expenses**



# State of Louisiana

The following chart depicts the governmental activities' program revenues and expenses for the 2003 fiscal year:

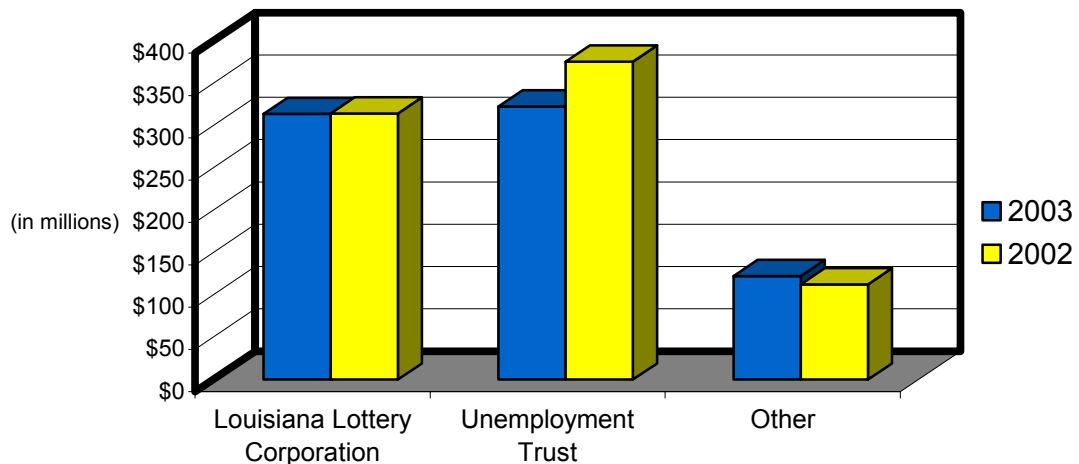
**2003 Governmental Program Revenues & Expenses**



**Business-Type Activities** - Revenues exceeded expenses by \$88.7 million (a 55% decrease from last year). Revenues decreased by approximately \$46 million (6%) from the previous year and expenses increased by more than \$64 million (11%). Charges for Services provided for the bulk of the total revenue at \$665 million (88%), while Grants and Contributions (including federal aid) provided \$85 million (11%) of the revenues for the business-type activities. The decrease in the business-type revenues is due to the loss of more than \$72 million in Federal funds for the Unemployment Trust Fund in fiscal year 2003 and the increase in expenses is mainly due to the extension of unemployment benefits. The decrease in revenues and the increase in expenses are explained in more detail in the Proprietary Fund section (page 23).

The following chart depicts business-type activities' revenues for the 2003 and 2002 fiscal years:

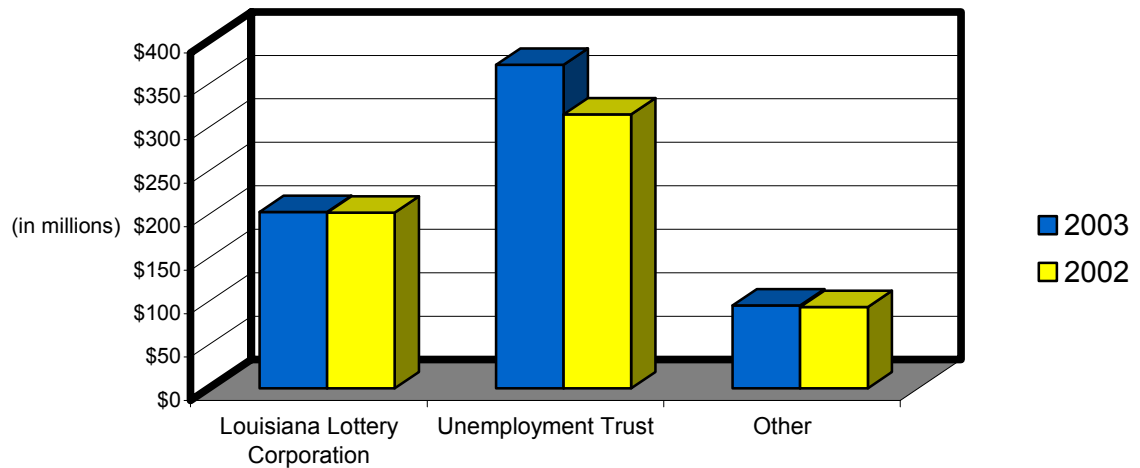
**2003 Revenue vs 2002 Revenue for BTAs**



# State of Louisiana

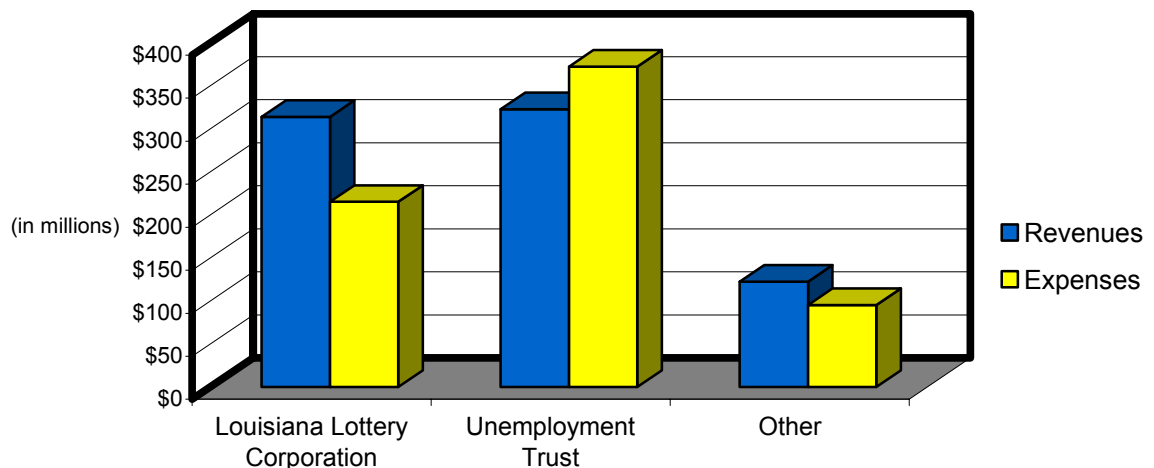
The following chart depicts business-type activities' expenses for the 2003 and 2002 fiscal years:

**2003 and 2002 Expenses for BTAs**



The following chart depicts the business-type activities' revenues and expenses for fiscal year 2003:

**2003 Revenue & Expenses for BTAs**



## FINANCIAL ANALYSIS OF THE FUNDS OF THE STATE

As noted earlier, the State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and to assist in the management of its budgetary operations.

### Governmental Funds

As the State completed the year, its governmental funds (as presented in the balance sheet on page 29) reported a total fund balance of \$5.8 billion (a 7% increase in comparison with the prior year). Unreserved/undesignated fund balance constitutes 52% of this total, which is available for spending in the coming year. The remainder of this fund balance is reserved to indicate it is not available for spending because it has already been committed. The major governmental funds are the General Fund, Bond Security and Redemption Fund, Louisiana Education Quality Trust Fund, and Medicaid Trust for the Elderly.

# State of Louisiana

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The General Fund is the chief operating fund of the State. The overall performance of the General Fund declined \$45 million due to expenditures outpacing revenues as shown by comparing the restated net change in fund balance in fiscal year 2002 to that of fiscal year 2003; however, the unreserved/undesignated fund balance improved from a deficit of \$34 million to zero. Also, \$18 million was designated in fiscal year 2003 due to an increase in the unrealized gain in the investment portfolio of the State. This improvement, in spite of the overall decline in the performance of the General Fund, was due to the large reduction in the Reserve for Specific Purposes, which were \$328 million in fiscal year 2002 and \$231 million in fiscal year 2003 (a decline of \$97 million).

General Fund revenues and expenditures increased during the fiscal year by \$526 million and \$701 million, respectively. The increases in expenditures can be largely attributed to \$363 million in additional education related expenditures and \$334 million in additional general government expenditures. Some of the larger expenditures for education included higher education; the Minimum Foundation Program, whose purpose is to provide a minimum foundation of education to all public elementary and secondary school students in Louisiana; and the Temporary Assistance for Needy Families (TANF) Program, which provides extraordinary flexibility for funding a wide variety of employment and training activities, supportive services, and benefits that will enable clients to get a job, keep a job, and improve their economic circumstances. The increase in general government expenditures is also partially due to the increased spending in the TANF Program. The majority of the increase in General Fund revenues can be attributed to an increase in Federal funding.

Revenues for the Bond Security and Redemption Fund decreased by \$1.5 billion (14%) in fiscal year 2003, which can mainly be attributed to larger than normal revenues in fiscal year 2002 due to the sale of 60% of the tobacco settlement during that year. The Louisiana Education Quality Trust Fund reported interest earnings of \$17.1 million (a 4% increase) and market gains of \$13.3 million. The fund balance for the Medicaid Trust for the Elderly increased to \$907 million (a 17% increase) due mainly to a reduction in expenditures as a result of the reduction in the amount paid for the Nursing Home Intergovernmental Transfer Program and the increase in the Federal matching rate on certain expenditures.

## **Proprietary Funds**

The major enterprise funds of the State are the Louisiana Lottery Corporation and the Unemployment Trust Fund. These 2 funds account for 80% of the net assets of the enterprise funds. Combined net assets for the enterprise funds decreased by \$20 million compared to the prior fiscal year. In addition to the major funds, enterprise funds also include the Municipal Facilities Revolving Loan Fund, Office Facilities Corporation, and 9 other nonmajor enterprise funds.

The Louisiana Lottery Corporation produced over \$311.5 million in operating revenue, which was consistent with prior year amounts. Powerball on-line sales of \$105.3 million were at the highest level since the introduction of this multi-state game in Louisiana. Several large jackpots during fiscal year 2003 contributed to the record sales for this game. Operating expenses were consistent with last year and totaled approximately \$202.7 million.

Operating Revenue for the Unemployment Trust Fund decreased by over \$52.8 million (14%). The Unemployment Trust Fund accounts for the Unemployment Insurance Program in the State. As part of the economic stimulus package of 2002, the federal government distributed \$8 billion to the states to be used for unemployment insurance programs. The lump sum allocation, called the Reed Act distribution, was \$106.5 million for the State of Louisiana in fiscal year 2002. In the absence of the Reed Act distribution this year, revenues declined for the Unemployment Trust Fund in fiscal year 2003.

Expenses for the Unemployment Trust Fund increased by more than \$64 million (21%) in fiscal year 2003 primarily due to extended benefits for the unemployed. During periods of high unemployment, the Extended Unemployment Compensation Act of 1970 provides for additional unemployment insurance benefits to claimants. The federal extended benefits program, Temporary Extended Unemployment Compensation (TEUC), began March 10, 2002 and provides for up to 13 additional weeks of unemployment benefits to unemployed workers who qualify.

# State of Louisiana

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## GENERAL FUND BUDGETARY HIGHLIGHTS

Supplemental appropriations are usually passed before the end of the fiscal year based on revisions to estimated revenues by the Revenue Estimating Conference and the needs of various departments and programs. Final budgeted revenues were approximately \$654 million greater than originally budgeted and final budgeted expenditures were approximately \$1.3 billion greater than originally budgeted. Transfers in from other funds make up the difference between revenues and expenditures. Final budgeted expenditures in excess of original budgeted expenditures include \$201 million for the Department of the Military, mainly for damage caused by Hurricane Lili and Tropical Storm Isidore; \$262 million for the Medicaid Program, due mainly to an increased number of Medicaid patients; \$250 million to the Department of Social Services; \$67 million for coastal restoration and management; \$108 million for the Job Training and Placement Program; 103 million for higher education; and more than \$200 million for various other projects or services.

Final budgeted revenues in excess of original budgeted revenues is due to \$161 million in Federal aid received from the Federal Emergency Management Agency (FEMA) for the damages caused by the Hurricane Lili and Tropical Storm Isidore; \$30 million as a result of an increase in the Federal matching rate for certain medical assistance expenditures under the Medicaid Program; the receipt of approximately \$76 million in Federal aid as a result of the Job and Growth Tax Relief Reconciliation Act of 2003; and more than \$385 million in other revenues.

Actual revenues were \$431 million less than the final budgeted revenue and actual expenditures were \$1.3 billion less than final budgeted expenditures. The difference between the final budgeted amounts and actual results can be attributed to an over estimation of final budgeted revenues and transfers. Consequently, there were less expenditures due to the lack of funds.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

Investment in capital assets for governmental and business-type activities of the State as of June 30, 2003, totaled approximately \$11.1 billion and \$103 million (net of accumulated depreciation) respectively. Approximately, 91% of the capital assets are depreciable. Investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The increase in investment in governmental capital assets and business-type activities' capital assets for the current fiscal year was \$326 million (3%) and \$27 million (36%), respectively. The majority of the increase in land and infrastructure can be attributed to the Louisiana Transportation Infrastructure Model for Economic Development (TIMED) Program. TIMED is the single largest transportation program in state history. The \$3.5 billion improvement program includes 16 specific transportation projects that include four-laning 500 miles of state highways, widening and/or new construction on three major bridges and improvements to both the Port of New Orleans and Louis Armstrong International Airport. The majority of the increase in the business-type activities' capital assets can be attributed to the continued construction of new office buildings and parking garages to house State agencies and provide parking for those facilities. Refer to Note 5 – "Capital Assets" for more details of the changes in capital assets.

# State of Louisiana

## Capital Assets (net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	(Restated)		(Restated)		(Restated)	
	2003	2002	2003	2002	2003	2002
Land	\$ 1,632,476	\$ 1,559,857	\$ 6,600	\$ 6,299	\$ 1,639,076	\$ 1,566,156
Buildings and Improvement	753,797	735,902	9,779	10,285	763,576	746,187
Equipment	154,628	150,488	7,885	6,342	162,513	156,830
Infrastructure	8,519,583	8,294,769	-	2,001	8,519,583	8,296,770
Construction-in-Progress	83,730	76,790	79,190	51,296	162,920	128,086
					-	
Total	\$ 11,144,214	\$ 10,817,806	\$ 103,454	\$ 76,223	\$ 11,247,668	\$ 10,894,029

## Debt Administration

The State authorizes, issues, and sells debt obligations. General obligation bonds issued by the State are backed by the full faith and credit of the State. The State also issues revenue obligations, which are secured by a pledge of revenues or property derived from the operations of a program funded by the issuance of the obligations.

During the year, \$291 million in new general obligation debt and \$333 million in revenue bonds were issued, which increased the bonded debt by \$236 million. The additional general obligation bonds were issued for various construction projects at several state parks, construction and renovations at several universities, and various local projects. The bulk of the newly issued revenue bonds, \$275 million, can be attributed to the TIMED project discussed earlier (a new program to widen highways, build bridges and provide transportation improvements).

## Outstanding Debt General Obligation and Revenue Bonds (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	(restated)				(restated)	
	2003	2002	2003	2002	2003	2002
General obligation bonds	\$ 2,010,977	\$ 2,000,590	\$	\$	\$ 2,010,977	\$ 2,000,590
Revenue bonds and notes	608,080	382,350	102,685	103,505	710,765	485,855
Total	\$ 2,619,057	\$ 2,382,940	\$ 102,685	\$ 103,505	\$ 2,721,742	\$ 2,486,445

Debt authorization and limitations are discussed in Note 8. Bond ratings for general obligation debt improved in 2003 to the following: "A+" from Standard and Poor's, "A1" from Moody's, and "A+" from Fitch. Refer to Note 8, Long-Term Obligations for more details on long-term debt.



# State of Louisiana

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## **Economic Factors**

(The first four paragraphs of the following are from the Louisiana Economic Outlook: 2004-2005, by Loren Scott, James A. Richardson and A.M.M. Jamal, published in September 2003.)

As with the national economy, the past three years have not been great ones for Louisiana. Employment fell by 1.2% over the 3-year period; however, this is less than the national average. The U.S. payroll employment fell by 2,598,000 jobs between March 2001 and June 2003, a 2% decline. One reason that the national recession hit Louisiana a bit more lightly than other states is that the U.S. derives a larger percentage of their income from the durable goods industry than does Louisiana. When the nation enters a recession the first industry to get hit is the durable goods industry. People have to buy food and utilities, but they can postpone buying appliances, cars, homes, boats, etc. In the U.S., 10% of income is derived from the durable goods industry. In Louisiana that figure is only 5.3% and much of that comes from national defense shipbuilding or manufacturing platforms and rigs for the extraction industry.

Job losses for Louisiana in 2003 are heavily concentrated in three sectors--manufacturing, support activities for mining, and construction. In the manufacturing sector, the chemical industry in particular, continues to plummet as a result of high natural gas prices and increased foreign competition and has lost approximately 1,400 high paying jobs. Even increased foreign competition can be traced in no small part to the fact that natural gas prices in many other countries are a fraction of those in the U.S.

Consequently, chemical plants have shelved capital expansion plans and postponed maintenance activities as much as possible. That has dealt a blow to the industrial construction sector. Normally, the unusually low interest rates the economy has been enjoying would spur a healthy round of capital expansions. Instead, high natural gas prices have squashed those expansion plans and have led to a loss of about 2,300 jobs in the construction sector.

There have been some announcements that will positively affect the manufacturing of transportation equipment. These include the announcement of 1,300 jobs at new tier 1 suppliers to the new General Motors plant in Shreveport; new contracts with the Coast Guard for a Louisiana shipyard; and EADS Aerframe Services, a Louisiana based company, secured contracts with several airlines to paint their aircrafts.

The State will have some additional assistance from the Federal Government in fiscal year 2004. On May 28, 2003, President Bush signed into law the Jobs and Growth Tax Relief Reconciliation Act of 2003, which provides temporary increases in the Federal matching rate for medical assistance expenditures of the State under the Medicaid Program and it provides flexible grants for fiscal relief for the states based on the population of the state. The state has already received \$76 million in fiscal year 2003 in flexible grants from the Federal Government and the State will receive an additional \$76 million in flexible grants in fiscal year 2004.

The funding of two of the state retirement systems has led to some recent concerns. The Actuarial Value of Assets reported for the Louisiana State Employees' Retirement System and Teachers' Retirement System of Louisiana on June 30, 2003 do not include accumulated deficits of \$634,512,981 and \$1,088,630,751 respectively in their Experience Accounts. Teachers' Retirement System of Louisiana also has a deficit in the LSU Agriculture and Extension Service Fund of \$180,974, which is not included. These negative Experience Account Balances present serious funding issues. See page 69 for more details.

## **Requests for Information**

This financial report is designed to provide a general overview of the State finances for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information may be obtained by writing to the Office of Statewide Reporting and Accounting Policy, P.O. Box 94095, Baton Rouge, LA 70804-9095 or by telephoning (225) 342-0708. The component units of the State issue their own audited financial reports. Telephone numbers for these entities may be obtained from the same source as mentioned above. This report is available on our website at <http://www.state.la.us/osrap/cafr.htm>.

# BASIC FINANCIAL STATEMENTS

# GOVERNMENT-WIDE FINANCIAL STATEMENTS

# State of Louisiana

## STATEMENT OF NET ASSETS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL PRIMARY GOVERNMENT	
<b>ASSETS</b>				
CASH AND CASH EQUIVALENTS	\$ 2,632,932	\$ 1,681,499	\$ 4,314,431	\$ 813,129
INVESTMENTS	3,302,890	216,638	3,519,528	649,921
RECEIVABLES (NET)	1,478,145	61,747	1,539,892	306,574
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	70,112
AMOUNTS DUE FROM COMPONENT UNITS	2,153	--	2,153	--
DUE FROM FEDERAL GOVERNMENT	693,522	2,284	695,806	37,009
INTERNAL BALANCES	11,845	(11,845)	--	--
INVENTORIES	70,032	5,238	75,270	49,769
PREPAYMENTS	2	1,307	1,309	14,865
NOTES RECEIVABLE	--	245,816	245,816	96,104
OTHER ASSETS	19,113	14,719	33,832	63,981
CAPITAL ASSETS (NOTE 5)				
LAND	1,632,476	6,600	1,639,076	237,111
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	753,797	9,779	763,576	1,575,880
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	154,628	7,885	162,513	328,068
INFRASTRUCTURE (NET OF DEPRECIATION)	8,519,583	--	8,519,583	293,778
CONSTRUCTION IN PROGRESS	83,730	79,190	162,920	268,198
<b>TOTAL ASSETS</b>	<b>19,354,848</b>	<b>2,320,857</b>	<b>\$ 21,675,705</b>	<b>\$ 4,804,499</b>
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES	1,483,969	14,688	1,498,657	440,554
ACCRUED INTEREST ON BONDS	30,573	--	30,573	--
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	2,153
AMOUNTS DUE TO COMPONENT UNITS	70,112	--	70,112	--
DUE TO FEDERAL GOVERNMENT	83,109	297	83,406	--
DUE TO LOCAL GOVERNMENTS	41,040	--	41,040	--
DEFERRED REVENUE	25,595	970	26,565	117,318
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	1,508	1,508	10,279
OTHER LIABILITIES	117,153	10,291	127,444	12,860
CURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
COMPENSATED ABSENCES	9,613	589	10,202	14,795
CAPITAL LEASE OBLIGATIONS	14,632	102	14,734	9,731
NOTES PAYABLE	1,817	1	1,818	11,676
LIABILITIES PAYABLE FROM RESTRICTED ASSETS	--	--	--	6,674
BONDS PAYABLE	186,067	9,085	195,152	35,877
ESTIMATED LIABILITY FOR CLAIMS	78,320	--	78,320	--
UNAMORTIZED BOND PREMIUM	1,163	--	1,163	--
OTHER LONG-TERM LIABILITIES	10,413	37,375	47,788	705
NONCURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
COMPENSATED ABSENCES	175,085	1,491	176,576	165,234
CAPITAL LEASE OBLIGATIONS	55,280	38	55,318	47,876
NOTES PAYABLE	--	21	21	42,721
BONDS PAYABLE	2,432,990	93,600	2,526,590	1,867,614
ESTIMATED LIABILITY FOR CLAIMS	2,031,714	--	2,031,714	--
UNAMORTIZED BOND PREMIUM	11,403	--	11,403	--
OTHER LONG-TERM LIABILITIES	--	156,474	156,474	26,408
<b>TOTAL LIABILITIES</b>	<b>6,860,048</b>	<b>326,530</b>	<b>7,186,578</b>	<b>2,812,475</b>
<b>NET ASSETS</b>				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	9,963,831	22,036	9,985,867	1,982,733
RESTRICTED FOR:				
CAPITAL PROJECTS	955,054	--	955,054	10,288
DEBT SERVICE	27,111	26,936	54,047	145,650
TRUST PRINCIPAL / BUILDING TRUST	880,662	--	880,662	--
UNEMPLOYMENT COMPENSATION	--	1,467,383	1,467,383	--
OTHER PURPOSES	2,582,607	108,161	2,690,768	655,920
FUNDS HELD AS PERMANENT INVESTMENTS:				
NONEXPENDABLE	1,068,481	--	1,068,481	--
UNRESTRICTED	(2,982,946)	369,811	(2,613,135)	(802,567)
<b>TOTAL NET ASSETS</b>	<b>\$ 12,494,800</b>	<b>\$ 1,994,327</b>	<b>\$ 14,489,127</b>	<b>\$ 1,992,024</b>

The notes to the financial statement are an integral part of this statement.

# State of Louisiana

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

					NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
					PRIMARY GOVERNMENT			
					BUSINESS- TYPE			COMPONENT UNITS
					GOVERNMENTAL	ACTIVITIES	TOTAL	
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	ACTIVITIES	ACTIVITIES	TOTAL	
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
GENERAL GOVERNMENT	\$ 2,726,764	\$ 1,717,172	\$ 404,527	\$ 49,636	\$ (555,429)		\$ (555,429)	
CULTURE, RECREATION, AND TOURISM	69,659	23,696	6,172	2,580	(37,211)		(37,211)	
TRANSPORTATION AND DEVELOPMENT	807,856	74,451	6,691	509,859	(216,855)		(216,855)	
PUBLIC SAFETY	291,283	253,206	21,508	--	(16,569)		(16,569)	
HEALTH AND WELFARE	6,805,797	533,205	5,163,044	500	(1,109,048)		(1,109,048)	
CORRECTIONS	625,391	36,878	4,652	6,165	(577,696)		(577,696)	
CONSERVATION AND ENVIRONMENT	274,926	513,999	59,541	244	298,858		298,858	
EDUCATION	4,789,472	23,496	703,794	9,098	(4,053,084)		(4,053,084)	
OTHER	4,793	--	--	--	(4,793)		(4,793)	
INTERGOVERNMENTAL	362,099	1,265	--	--	(360,834)		(360,834)	
INTEREST ON LONG-TERM DEBT	149,798	--	--	--	(149,798)		(149,798)	
TOTAL GOVERNMENTAL ACTIVITIES	16,907,838	3,177,368	6,369,929	578,082	(6,782,459)		(6,782,459)	
BUSINESS-TYPE ACTIVITIES:								
LOUISIANA LOTTERY CORPORATION	202,743	311,525	--	--		\$ 108,782	108,782	
UNEMPLOYMENT TRUST FUND	372,160	252,430	70,249	--		(49,481)	(49,481)	
OTHER	95,159	101,037	--	15,221		21,099	21,099	
TOTAL BUSINESS-TYPE ACTIVITIES	670,062	664,992	70,249	15,221		80,400	80,400	
TOTAL PRIMARY GOVERNMENT	\$ 17,577,900	\$ 3,842,360	\$ 6,440,178	\$ 593,303	(6,782,459)	80,400	(6,702,059)	
COMPONENT UNITS:								
STATE UNIVERSITIES:								
LOUISIANA STATE UNIVERSITY SYSTEM	\$ 2,495,329	\$ 1,466,490	\$ 364,436	\$ 80,847				\$ (583,556)
UNIVERSITY OF LOUISIANA SYSTEM	750,130	256,480	180,926	32,596				(280,128)
SOUTHERN UNIVERSITY SYSTEM	191,549	35,724	58,810	2,815				(94,200)
COMMUNITY AND TECHNICAL COLLEGES SYSTEM	289,653	42,270	104,044	8,345				(134,994)
BOARD OF REGENTS	74,377	1,510	211	--				(72,656)
AUTHORITIES:								
GREATER NEW ORLEANS EXPRESSWAY COMMISSION	15,725	15,130	1,651	--				1,056
LOUISIANA STADIUM AND EXPOSITION DISTRICT	91,786	32,112	5,042	13,879				(40,753)
ORLEANS LEVEE DISTRICT	35,344	12,566	--	1,152				(21,626)
TOBACCO SETTLEMENT FINANCING CORPORATION	69,445	--	--	--				(69,445)
OTHER COMPONENT UNITS	206,592	29,181	54,199	14,990				(108,222)
TOTAL COMPONENT UNITS	\$ 4,219,930	\$ 1,891,463	\$ 769,319	\$ 154,624				(1,404,524)
GENERAL REVENUES:								
INCOME TAXES					2,022,765		2,022,765	
SALES TAXES					2,489,153		2,489,153	
FRANCHISE TAXES					187,447		187,447	
GASOLINE TAXES, restricted for transportation					446,706		446,706	
TOBACCO TAXES					82,217		82,217	
MISCELLANEOUS TAXES					903,328		903,328	
TOBACCO SETTLEMENT, restricted for education, health and welfare					66,234		66,234	
GAMING					578,152		578,152	
UNRESTRICTED INVESTMENT EARNINGS					76,586		76,586	
MISCELLANEOUS					114,379		114,379	1,149,141
OTHER					786	8,297	9,083	323,340
TRANSFERS					108,596	(108,596)	--	--
TOTAL GENERAL REVENUES AND TRANSFERS					7,076,349	(100,299)	6,976,050	1,472,481
CHANGE IN NET ASSETS					293,890	(19,899)	273,991	67,957
NET ASSETS - BEGINNING, as restated					12,200,910	2,014,226	14,215,136	1,924,067
NET ASSETS - ENDING					\$ 12,494,800	\$ 1,994,327	\$ 14,489,127	\$ 1,992,024

The notes to the financial statements are an integral part of this statement.

# GOVERNMENTAL FUND FINANCIAL STATEMENTS



# GOVERNMENTAL FUND FINANCIAL STATEMENTS

## Major Funds

### GENERAL FUND

The General Fund, the principal operating fund of the State, was established administratively to provide for the distribution of funds appropriated by the State Legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are accounted for in the General Fund. Revenues are provided from the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt service requirements have been met.

### BOND SECURITY AND REDEMPTION FUND

This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations or other forms of assistance when the terms and conditions of the related agreements require otherwise. Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the state, due and payable, within the current fiscal year, including principal, interest, premiums, and sinking or reserve funds. Except as otherwise provided by law, money remaining in the fund is credited to the General Fund.

### LOUISIANA EDUCATION QUALITY TRUST FUND

Once requirements of the Bond Security and redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf pending a settlement between the United States and Louisiana are deposited by the Treasurer in this fund. The funds are held in a trustee capacity to be used for various educational purposes.

### MEDICAID TRUST FUND FOR THE ELDERLY

Act 143 of 1st Extraordinary Session 2000 established this fund at R.S. 46:2691 to receive all funds from the intergovernmental transfer program and all investment earnings on monies deposited to this fund. The principal provides for the nursing home program case mix reimbursement system, intergovernmental transfer programs, enhanced payments to local government-owned health care facilities or health care programs, and reimbursement to the DHH for the cost of developing the application for and implementing the intergovernmental transfer program.

# State of Louisiana

## BALANCE SHEET

### GOVERNMENTAL FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	MEDICAID TRUST FOR THE ELDERLY	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>						
CASH AND CASH EQUIVALENTS	\$ 158,351	\$ 236,594	\$ --	\$ 64	\$ 2,234,026	\$ 2,629,035
INVESTMENTS	26,900	33,343	869,670	909,183	1,463,794	3,302,890
RECEIVABLES, NET	113,277	893,605	--	--	38,274	1,045,156
DUE FROM OTHER FUNDS	876,226	363,182	--	3,197	356,679	1,599,284
AMOUNTS DUE FROM COMPONENT UNITS	2,153	--	--	--	--	2,153
DUE FROM FEDERAL GOVERNMENT	629,018	--	--	--	64,504	693,522
INVENTORIES	66,240	--	--	--	--	66,240
OTHER ASSETS	356	--	--	--	3,164	3,520
<b>TOTAL ASSETS</b>	<b>\$ 1,872,521</b>	<b>\$ 1,526,724</b>	<b>\$ 869,670</b>	<b>\$ 912,444</b>	<b>\$ 4,160,441</b>	<b>\$ 9,341,800</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
ACCOUNTS PAYABLE AND ACCRUALS	\$ 883,718	\$ 12	\$ --	\$ --	\$ 127,694	\$ 1,011,424
OTHER PAYABLES	1,608	299,868	--	--	--	301,476
DUE TO OTHER FUNDS	411,945	941,426	1,426	5,558	226,680	1,587,035
AMOUNTS DUE TO COMPONENT UNITS	42,018	--	--	--	28,094	70,112
DUE TO FEDERAL GOVERNMENT	83,109	--	--	--	--	83,109
DUE TO LOCAL GOVERNMENTS	--	--	--	--	41,040	41,040
DEFERRED REVENUES	25,595	196,985	--	--	--	222,580
ESTIMATED LIABILITY FOR CLAIMS	78,320	--	--	--	--	78,320
OTHER LIABILITIES	--	88,433	--	--	25,033	113,466
<b>TOTAL LIABILITIES</b>	<b>1,526,313</b>	<b>1,526,724</b>	<b>1,426</b>	<b>5,558</b>	<b>448,541</b>	<b>3,508,562</b>
<b>FUND BALANCES:</b>						
<b>RESERVED FOR:</b>						
DEBT SERVICE	--	--	--	--	27,111	27,111
INVENTORIES	66,240	--	--	--	--	66,240
ENCUMBRANCES	30,622	--	--	--	73,757	104,379
CONTINUING PROJECTS	--	--	--	--	182,064	182,064
CONSTRUCTION	--	--	--	--	955,054	955,054
BUILDING TRUST	--	--	--	--	1,610	1,610
TRUST PRINCIPAL	--	--	868,244	--	10,808	879,052
OTHER SPECIFIC PURPOSES	231,016	--	--	--	130,638	361,654
<b>UNRESERVED / DESIGNATED, REPORTED IN:</b>						
GENERAL FUND	18,330	--	--	--	--	18,330
SPECIAL REVENUE FUNDS	--	--	--	57,329	56,529	113,858
DEBT SERVICE FUNDS	--	--	--	--	2,859	2,859
CAPITAL PROJECTS FUNDS	--	--	--	--	366	366
PERMANENT FUNDS	--	--	--	--	59,051	59,051
<b>UNRESERVED / UNDESIGNATED, REPORTED IN:</b>						
SPECIAL REVENUE FUNDS	--	--	--	849,557	1,142,913	1,992,470
PERMANENT FUNDS	--	--	--	--	1,069,140	1,069,140
<b>TOTAL FUND BALANCES</b>	<b>346,208</b>	<b>-</b>	<b>868,244</b>	<b>906,886</b>	<b>3,711,900</b>	<b>5,833,238</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,872,521</b>	<b>\$ 1,526,724</b>	<b>\$ 869,670</b>	<b>\$ 912,444</b>	<b>\$ 4,160,441</b>	<b>\$ 9,341,800</b>

The notes to the financial statements are an integral part of this statement.

# State of Louisiana

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets

(Expressed in Thousands)

**Total Fund Balances - Governmental Funds** \$ 5,833,238

Amounts reported for governmental activities in the Statement of Net Assets are different due to the following:

Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements. These assets consist of the following:

Land	\$ 1,632,476	
Buildings and Improvements	1,144,747	
Machinery and Equipment	607,897	
Infrastructure	15,615,461	
Construction in Progress	83,730	
Accumulated Depreciation	<u>(7,944,676)</u>	11,139,635

Net assets of the Internal Service Funds are reported separately in the proprietary funds, but are consolidated for the government-wide statements. 12,056

Commodities inventory is not reported in the funds. Ending inventory must be reported on the government-wide statements. 2,585

Bonds issued by the State have associated costs that are paid from current available financial resources in the funds. These costs are deferred on the Statement of Net Assets. 15,593

The annual required contributions of certain pension trust funds have been under-funded, creating a year-end liability, which is not reported in the funds. (10,413)

Some liabilities are not due and payable in the current period and are not reported in the funds. These liabilities consist of the following:

Compensated Absences	(183,954)	
Capital Lease Obligations	(69,678)	
Bonds Payable	(2,619,057)	
Estimated Liabilities for Claims	(2,110,034)	
Unamortized Bond Premium	(12,566)	
Accrued Interest Payable	(30,573)	
Other Liabilities	(3,655)	
Less Estimated Liabilities for Claims reported at fund level	<u>78,320</u>	(4,951,197)

Some of the State's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and are deferred or not reported in the funds. Those revenues consist of the following:

Accounts Receivable	425,926	
Deferred Revenues	<u>196,985</u>	622,911

Some payables do not meet the criteria for reporting under the modified accrual basis of accounting and are not reported in the fund level statements. (169,608)

**Net Assets of Governmental Activities** \$ 12,494,800

The notes to the financial statements are an integral part of this statement.

# State of Louisiana

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	MEDICAID TRUST FOR THE ELDERLY	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
INTERGOVERNMENTAL REVENUES	\$ 6,266,779	\$ 11,025	\$ --	\$ --	\$ 546,261	\$ 6,824,065
TAXES	--	6,163,262	--	--	129,273	6,292,535
GAMING	--	582,795	--	--	--	582,795
TOBACCO SETTLEMENT	--	66,234	--	--	--	66,234
USE OF MONEY AND PROPERTY	25,789	578,509	13,304	62,674	146,957	827,233
LICENSES, PERMITS, AND FEES	--	501,462	--	--	45,134	546,596
SALES OF COMMODITIES AND SERVICES	--	910,694	--	--	25	910,719
OTHER	41,010	721,641	--	--	10,857	773,508
TOTAL REVENUES	6,333,578	9,535,622	13,304	62,674	878,507	16,823,685
EXPENDITURES						
CURRENT:						
GENERAL GOVERNMENT	2,121,596	--	--	--	--	2,121,596
CULTURE, RECREATION, AND TOURISM	60,647	--	--	--	--	60,647
TRANSPORTATION AND DEVELOPMENT	323,289	--	--	--	--	323,289
PUBLIC SAFETY	221,504	--	--	--	--	221,504
HEALTH AND WELFARE	6,625,988	--	--	--	--	6,625,988
CORRECTIONS	611,685	--	--	--	--	611,685
CONSERVATION AND ENVIRONMENT	234,402	--	--	--	--	234,402
EDUCATION	4,674,987	--	--	--	--	4,674,987
OTHER	4,793	556	--	--	161,784	167,133
INTERGOVERNMENTAL	365,818	--	--	--	81,686	447,504
CAPITAL OUTLAY	--	--	--	--	1,159,534	1,159,534
DEBT SERVICE:						
PRINCIPAL RETIREMENT	125,930	191,693	--	--	34,779	352,402
INTEREST AND FISCAL CHARGES	26,127	106,812	--	--	19,630	152,569
TOTAL EXPENDITURES	15,396,766	299,061	--	--	1,457,413	17,153,240
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,063,188)	9,236,561	13,304	62,674	(578,906)	(329,555)
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN	9,305,542	137,366	17,149	218,770	3,058,262	12,737,089
TRANSFERS OUT	(325,429)	(9,373,927)	--	(149,540)	(2,779,597)	(12,628,493)
LONG-TERM DEBT ISSUED	20,525	--	--	--	568,159	588,684
OTHER	3,654	--	--	--	--	3,654
TOTAL OTHER FINANCING SOURCES (USES)	9,004,292	(9,236,561)	17,149	69,230	846,824	700,934
NET CHANGE IN FUND BALANCES	(58,896)	--	30,453	131,904	267,918	371,379
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	398,427	--	837,791	774,982	3,443,982	5,455,182
INCREASE IN RESERVES FOR INVENTORIES	6,677	--	--	--	--	6,677
FUND BALANCES AT END OF YEAR	\$ 346,208	\$ --	\$ 868,244	\$ 906,886	\$ 3,711,900	\$ 5,833,238

The notes to the financial statements are an integral part of this statement

# State of Louisiana

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## Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities

(Expressed in Thousands)

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$</b>	<b>371,379</b>
---	-----------	----------------

Amounts reported for governmental activities in the Statement of  
Activities are different due to the following:

Governmental funds report capital outlays as expenditures. In the Statements of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. Those capital outlay expenditures consist of the following:

Land	\$	69,561	
Buildings and Improvements		(37,520)	
Machinery and Equipment		3,652	
Infrastructure		224,814	
Construction in Progress		<u>65,403</u>	325,910

Revenues and expenses in the Statement of Activities that do not provide current financial resources are not reported as revenues and expenditures in the funds.		31,976
--	--	--------

The net results of current year operations of internal service funds is included in the net income of the proprietary funds, but is presented as part of the primary government for government-wide statements.		1,125
---	--	-------

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in governmental funds, but reduces long-term liabilities in the Statement of Net Assets. Those bond proceeds consist of the following:

Bond Proceeds and Premiums Received Net of Debt Service	(231,735)	
Deferred Issue Costs	<u>18</u>	(231,717)

Certain expenditures related to long-term liabilities are not reported in the funds. However, they are included in the Statement of Activities. Those expenditures consist of the following:

Compensated Absences	(13,650)	
Capital Lease Obligations	9,940	
Estimated Liabilities for Claims	<u>(207,139)</u>	(210,849)

Revenues and expenses relating to changes in inventory are not reported in the funds. Current year inventory activity must be reported on the government-wide statements.		<u>6,066</u>
---	--	--------------

<b>Change in Net Assets of Governmental Activities</b>	<b>\$</b>	<b><u>293,890</u></b>
--	-----------	-----------------------

The notes to the financial statements are an integral part of this statement.

# PROPRIETARY FUND FINANCIAL STATEMENTS



# PROPRIETARY FUND FINANCIAL STATEMENTS

## Major Funds

### LOUISIANA LOTTERY CORPORATION

The Louisiana Lottery Corporation is a nonprofit corporation which conducts and administers the state lottery to ensure the integrity of the lottery and maintain the dignity of the state and the general welfare of its people.

### UNEMPLOYMENT TRUST FUND

This fund accounts primarily for the unemployment contributions from employers for the payment of unemployment benefits to eligible claimants.

# State of Louisiana

## BALANCE SHEET

### PROPRIETARY FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	LOUISIANA LOTTERY CORPORATION	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$ 25	\$ 1,538,195	\$ 142,049	\$ 1,680,269	\$ 3,897
INVESTMENTS	37,585	--	2,905	40,490	--
RECEIVABLES, NET	12,319	43,210	6,183	61,712	7,063
DUE FROM OTHER FUNDS	--	--	1,273	1,273	--
DUE FROM FEDERAL GOVERNMENT	--	1,847	437	2,284	--
INVENTORIES	--	--	5,238	5,238	1,207
PREPAYMENTS	1,263	--	44	1,307	2
NOTES RECEIVABLE	--	--	16,487	16,487	--
OTHER CURRENT ASSETS	15	--	2,741	2,756	--
TOTAL CURRENT ASSETS	<u>51,207</u>	<u>1,583,252</u>	<u>177,357</u>	<u>1,811,816</u>	<u>12,169</u>
<b>NONCURRENT ASSETS:</b>					
<b>RESTRICTED ASSETS</b>					
CASH	--	--	1,230	1,230	--
INVESTMENTS	--	--	33,199	33,199	--
RECEIVABLES	--	--	35	35	--
NOTES RECEIVABLE	--	--	229,329	229,329	--
INVESTMENTS	142,949	--	--	142,949	--
<b>CAPITAL ASSETS (NOTE 5)</b>					
LAND	1,542	--	5,058	6,600	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	3,762	--	6,017	9,779	9
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	1,150	--	6,735	7,885	4,570
CONSTRUCTION IN PROGRESS	--	--	79,190	79,190	--
OTHER NONCURRENT ASSETS	9,199	--	2,764	11,963	--
TOTAL NONCURRENT ASSETS	<u>158,602</u>	<u>--</u>	<u>363,557</u>	<u>522,159</u>	<u>4,579</u>
<b>TOTAL ASSETS</b>	<u>\$ 209,809</u>	<u>\$ 1,583,252</u>	<u>\$ 540,914</u>	<u>\$ 2,333,975</u>	<u>\$ 16,748</u>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ 2,874	\$ --	\$ 11,814	\$ 14,688	\$ 1,461
DUE TO OTHER FUNDS	10,785	--	2,333	13,118	404
DUE TO FEDERAL GOVERNMENT	--	297	--	297	--
DEFERRED REVENUES	--	--	970	970	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	1,508	1,508	--
OTHER CURRENT LIABILITIES	--	10,127	164	10,291	32
<b>CURRENT PORTION OF LONG-TERM LIABILITIES:</b>					
COMPENSATED ABSENCES PAYABLE	294	--	295	589	29
CAPITAL LEASE OBLIGATIONS	--	--	102	102	136
NOTES PAYABLE	--	--	1	1	1,817
BONDS PAYABLE	--	--	9,085	9,085	--
OTHER LONG-TERM LIABILITIES	33,919	--	3,456	37,375	--
TOTAL CURRENT LIABILITIES	<u>47,872</u>	<u>10,424</u>	<u>29,728</u>	<u>88,024</u>	<u>3,879</u>
<b>NONCURRENT LIABILITIES:</b>					
<b>NON-CURRENT PORTION OF LONG-TERM LIABILITIES:</b>					
COMPENSATED ABSENCES PAYABLE	--	--	1,491	1,491	715
CAPITAL LEASE OBLIGATIONS	--	--	38	38	98
NOTES PAYABLE	--	--	21	21	--
BONDS PAYABLE	--	--	93,600	93,600	--
OTHER LONG-TERM LIABILITIES	137,025	--	19,449	156,474	--
TOTAL NONCURRENT LIABILITIES	<u>137,025</u>	<u>--</u>	<u>114,599</u>	<u>251,624</u>	<u>813</u>
<b>TOTAL LIABILITIES</b>	<u>184,897</u>	<u>10,424</u>	<u>144,327</u>	<u>339,648</u>	<u>4,692</u>
<b>NET ASSETS</b>					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	6,454	--	15,582	22,036	2,526
RESTRICTED FOR DEBT SERVICE	--	--	26,936	26,936	--
RESTRICTED FOR UNEMPLOYMENT COMPENSATION	--	1,467,383	--	1,467,383	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	--	105,445	2,716	108,161	--
UNRESTRICTED	18,458	--	351,353	369,811	9,530
<b>TOTAL NET ASSETS</b>	<u>24,912</u>	<u>1,572,828</u>	<u>396,587</u>	<u>1,994,327</u>	<u>12,056</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 209,809</u>	<u>\$ 1,583,252</u>	<u>\$ 540,914</u>	<u>\$ 2,333,975</u>	<u>\$ 16,748</u>

The notes to the financial statements are an integral part of this statement.

# State of Louisiana

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

### PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	LOUISIANA LOTTERY CORPORATION	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	\$ 311,417	\$ --	\$ 44,334	\$ 355,751	\$ 64,611
INTERGOVERNMENTAL REVENUES	--	70,249	--	70,249	--
ASSESSMENTS	--	157,141	3,828	160,969	--
USE OF MONEY AND PROPERTY	--	95,289	23,661	118,950	--
LICENSES, PERMITS, AND FEES	12	--	18,783	18,795	--
OTHER	96	--	1,395	1,491	13
TOTAL OPERATING REVENUES	<u>311,525</u>	<u>322,679</u>	<u>92,001</u>	<u>726,205</u>	<u>64,624</u>
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	184,973	--	29,361	214,334	51,257
ADMINISTRATIVE	17,019	--	52,912	69,931	11,824
DEPRECIATION	751	--	2,164	2,915	1,206
AMORTIZATION	--	--	311	311	--
UNEMPLOYMENT INSURANCE BENEFITS	--	372,160	--	372,160	--
TOTAL OPERATING EXPENSES	<u>202,743</u>	<u>372,160</u>	<u>84,748</u>	<u>659,651</u>	<u>64,287</u>
OPERATING INCOME (LOSS)	<u>108,782</u>	<u>(49,481)</u>	<u>7,253</u>	<u>66,554</u>	<u>337</u>
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL REVENUES (EXPENSES)	--	--	(45)	(45)	--
USE OF MONEY AND PROPERTY	2,205	--	19,016	21,221	31
LOSS ON DISPOSAL OF FIXED ASSETS	--	--	(701)	(701)	(9)
INTEREST EXPENSE	--	--	(9,624)	(9,624)	(35)
OTHER	58	--	431	489	14
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>2,263</u>	<u>--</u>	<u>9,077</u>	<u>11,340</u>	<u>1</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>111,045</u>	<u>(49,481)</u>	<u>16,330</u>	<u>77,894</u>	<u>338</u>
CAPITAL CONTRIBUTIONS	--	--	10,803	10,803	787
TRANSFERS IN	--	--	3,145	3,145	--
TRANSFERS OUT	<u>(110,840)</u>	<u>--</u>	<u>(901)</u>	<u>(111,741)</u>	<u>--</u>
CHANGE IN NET ASSETS	<u>205</u>	<u>(49,481)</u>	<u>29,377</u>	<u>(19,899)</u>	<u>1,125</u>
TOTAL NET ASSETS - BEGINNING AS RESTATED	<u>24,707</u>	<u>1,622,309</u>	<u>367,210</u>	<u>2,014,226</u>	<u>10,931</u>
TOTAL NET ASSETS - ENDING	<u>\$ 24,912</u>	<u>\$ 1,572,828</u>	<u>\$ 396,587</u>	<u>\$ 1,994,327</u>	<u>\$ 12,056</u>

The notes to the financial statements are an integral part of this statement.

# State of Louisiana

## STATEMENT OF CASH FLOWS

### PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	LOUISIANA LOTTERY CORPORATION	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
CASH FLOWS FROM OPERATING ACTIVITIES:					
CASH RECEIVED FROM CUSTOMERS	\$ 125,029	\$ 149,024	\$ 116,670	\$ 390,723	\$ 64,919
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(28,129)	--	(67,181)	(95,310)	(53,212)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(5,517)	--	(20,149)	(25,666)	(11,574)
INTERNAL ACTIVITY - PAYMENTS TO OTHER FUNDS	--	--	(234)	(234)	--
CLAIMS PAID TO OUTSIDERS	--	(374,098)	(32,066)	(406,164)	--
OTHER OPERATING REVENUES	--	162,551	1,495	164,046	20
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>91,383</u>	<u>(62,523)</u>	<u>(1,465)</u>	<u>27,395</u>	<u>153</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
STATE APPROPRIATIONS	--	--	(170)	(170)	--
PRINCIPAL PAID ON BONDS	--	--	(36,286)	(36,286)	--
INTEREST PAID ON BOND MATURITIES	--	--	(90)	(90)	--
PRINCIPAL PAID ON NOTES PAYABLE	--	--	(1)	(1)	--
OTHER	--	--	1,472	1,472	(8)
TRANSFERS IN	--	--	8,719	8,719	--
TRANSFERS OUT	(109,216)	--	(946)	(110,162)	--
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	<u>(109,216)</u>	<u>--</u>	<u>(27,302)</u>	<u>(136,518)</u>	<u>(8)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
PROCEEDS FROM SALE OF BONDS	--	--	46,569	46,569	--
PRINCIPAL PAID ON BONDS	--	--	(18,555)	(18,555)	--
INTEREST PAID ON BOND MATURITIES	--	--	(14,249)	(14,249)	--
PRINCIPAL PAID ON NOTES PAYABLE	--	--	(77)	(77)	(640)
INTEREST PAID ON NOTES PAYABLE	--	--	(7)	(7)	(35)
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(975)	--	(47,899)	(48,874)	(359)
PROCEEDS FROM SALE OF CAPITAL ASSETS	61	--	451	512	2
CAPITAL CONTRIBUTIONS	--	--	10,802	10,802	787
OTHER	--	--	(312)	(312)	--
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(914)</u>	<u>--</u>	<u>(23,277)</u>	<u>(24,191)</u>	<u>(245)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
PURCHASES OF INVESTMENT SECURITIES	(6,199)	--	(72,374)	(78,573)	--
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	23,488	--	102,443	125,931	--
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	1,458	--	3,774	5,232	44
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>18,747</u>	<u>--</u>	<u>33,843</u>	<u>52,590</u>	<u>44</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	--	(62,523)	(18,201)	(80,724)	(56)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR AS RESTATED	25	1,600,718	161,480	1,762,223	3,953
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 25</u>	<u>\$ 1,538,195</u>	<u>\$ 143,279</u>	<u>\$ 1,681,499</u>	<u>\$ 3,897</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	\$ 108,782	\$ (49,481)	\$ 7,253	\$ 66,554	\$ 337
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
DEPRECIATION	751	--	2,477	3,228	1,206
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	42	--	173	215	--
OTHER	--	--	(469)	(469)	2
CHANGES IN ASSETS AND LIABILITIES:					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(3,593)	(8,269)	(2,065)	(13,927)	(137)
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	--	940	3,982	4,922	--
(INCREASE)DECREASE IN PREPAYMENTS	(1,708)	--	3	(1,705)	--
(INCREASE)DECREASE IN INVENTORIES	--	--	43	43	(260)
(INCREASE)DECREASE IN OTHER ASSETS	29	--	(4,850)	(4,821)	--
INCREASE(DECREASE) IN ACCOUNTS PAYABLE	(940)	(8,265)	(8,100)	(17,305)	(1,068)
INCREASE(DECREASE) IN ACCRUED PAYROLL AND RELATED	--	--	27	27	(2)
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	25	--	256	281	55
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	--	290	(1)	289	--
INCREASE(DECREASE) IN DEFERRED REVENUES	--	--	(159)	(159)	--
INCREASE(DECREASE) IN OTHER LIABILITIES	(12,005)	2,262	(35)	(9,778)	20
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 91,383</u>	<u>\$ (62,523)</u>	<u>\$ (1,465)</u>	<u>\$ 27,395</u>	<u>\$ 153</u>

(Continued)

The notes to the financial statements are an integral part of this statement

# State of Louisiana

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## STATEMENT OF CASH FLOWS

### PROPRIETARY FUNDS

**JUNE 30, 2003**

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2003
LOUISIANA LOTTERY CORPORATION	
NET INCREASE IN FAIR VALUE OF INVESTMENTS	499
INTEREST ACCRUED ON DEPOSITS WITH MULTI STATE LOTTERY	262
OFFICE OF TELECOMMUNICATIONS MANAGEMENT	
ASSETS TRADED IN	(21)
DISPOSAL OF FIXED ASSETS	1

(Concluded)

# FIDUCIARY FUND FINANCIAL STATEMENTS

# FIDUCIARY FUND FINANCIAL STATEMENTS

## FIDUCIARY FUNDS

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds*, account for the portion of the government's investment pools that belong to others. The Louisiana Asset Management Pool is the only investment trust fund of the State.
- *Private-purpose trust funds*, report all other trust arrangements benefiting those outside the government. Currently, the Louisiana Education Tuition and Savings Fund is the

only private-purpose trust fund Louisiana maintains.

- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity and do not involve measurement of results of operations. Among the largest of the agency funds are the Escrow Fund, Insurance Trusts, Payroll Clearing Fund, and the Miscellaneous Agency Funds.

Four separate pension trust funds are maintained for state government employees, teachers, and law enforcement officers. The pension funds are as follows:

- Louisiana School Employees' Retirement System
- Louisiana State Employees' Retirement System
- Louisiana State Police Retirement System
- Teachers' Retirement System of Louisiana

# State of Louisiana

## STATEMENT OF FIDUCIARY NET ASSETS

### FIDUCIARY FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND	PRIVATE PURPOSE TRUST FUND	AGENCY FUNDS
<b>ASSETS</b>				
CASH AND CASH EQUIVALENTS	\$ 112,664	\$ 304	\$ 4,805	\$ 228,144
RECEIVABLES:				
EMPLOYER CONTRIBUTIONS	78,176	--	--	--
MEMBER CONTRIBUTIONS	61,034	--	--	--
INVESTMENT PROCEEDS	245,127	--	--	--
INTEREST AND DIVIDENDS	77,669	2,370	--	--
OTHER	4,358	32	4	109,146
TOTAL RECEIVABLES	466,364	2,402	4	109,146
INVESTMENTS (AT FAIR VALUE):				
SHORT TERM INVESTMENTS	752,334	499,010	--	--
U. S. GOVERNMENT OBLIGATIONS	1,485,373	295,681	21,867	--
BONDS - DOMESTIC	2,388,574	--	--	--
BONDS - INTERNATIONAL	806,971	--	--	--
MARKETABLE SECURITIES - DOMESTIC	7,532,772	154,956	--	--
MARKETABLE SECURITIES - INTERNATIONAL	1,991,731	--	--	--
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	3,755,122	--	--	--
OTHER	2,646,309	95,481	1,472	83,188
TOTAL INVESTMENTS	21,359,186	1,045,128	23,339	83,188
OTHER ASSETS	--	--	--	228
PROPERTY, PLANT AND EQUIPMENT (NET)	14,674	39	--	--
TOTAL ASSETS	21,952,888	1,047,873	28,148	420,706
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE	12,501	405	--	--
INVESTMENT COMMITMENTS PAYABLE	325,577	6,521	--	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	242,963
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	3,755,122	--	--	--
REFUND PAYABLE AND OTHER	8,840	10	--	--
OTHER LIABILITIES	--	--	--	177,743
TOTAL LIABILITIES	4,102,040	6,936	--	420,706
<b>NET ASSETS</b>				
HELD IN TRUST FOR:				
EMPLOYEES' PENSION BENEFITS	17,850,848	--	--	--
INDIVIDUALS, PRIVATE ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	28,148	--
INVESTMENT POOL PARTICIPANTS	--	1,040,937	--	--
TOTAL NET ASSETS	\$ 17,850,848	\$ 1,040,937	\$ 28,148	\$ --

The notes to the financial statements are an integral part of this statement.



# State of Louisiana

## STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

### FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND	PRIVATE PURPOSE TRUST FUND
<u>ADDITIONS</u>			
CONTRIBUTIONS:			
EMPLOYER	\$ 767,889	\$ --	\$ --
MEMBERS	434,518	--	--
POOL PARTICIPANTS (DEPOSITS)	--	1,512,355	--
TOTAL CONTRIBUTIONS	1,202,407	1,512,355	--
INVESTMENT INCOME:			
NET INCREASE IN FAIR VALUE OF INVESTMENTS	46,081	606	697
INTEREST AND DIVIDENDS	468,109	12,830	852
LOSS ON SALE OF INVESTMENT	--	(11)	--
OTHER INVESTMENT INCOME	71,115	12,902	--
LESS INVESTMENT EXPENSE	(88,136)	--	--
NET INVESTMENT INCOME	497,169	26,327	1,549
OTHER INCOME	51,497	--	14,970
TOTAL ADDITIONS	1,751,073	1,538,682	16,519
<u>DEDUCTIONS</u>			
RETIREMENT BENEFITS	1,667,419	--	--
REFUNDS OF CONTRIBUTIONS	80,248	--	--
ADMINISTRATIVE EXPENSES	23,655	2,044	--
DEPRECIATION EXPENSE	1,328	--	--
DISTRIBUTIONS TO POOL PARTICIPANTS	--	1,651,390	--
OTHER	1,200	--	500
TOTAL DEDUCTIONS	1,773,850	1,653,434	500
CHANGE IN NET ASSETS HELD IN TRUST FOR:			
EMPLOYEES' PENSION BENEFITS	(22,777)	--	--
INVESTMENT POOL PARTICIPANTS	--	(114,752)	--
INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	16,019
NET ASSETS - BEGINNING OF YEAR	17,873,625	1,155,689	12,129
NET ASSETS - END OF YEAR	\$ 17,850,848	\$ 1,040,937	\$ 28,148

The notes to the financial statements are an integral part of this statement.

# COMPONENT UNIT FINANCIAL STATEMENTS

# COMPONENT UNIT FINANCIAL STATEMENTS

## Major Funds

### COLLEGES AND UNIVERSITIES

The College and University Funds are used to account for all transactions relating to public institutions of higher education. The public institutions of higher education are reported in the following systems:

- Louisiana State University System includes Louisiana State University and A&M College at Baton Rouge, Louisiana State University Agricultural Center at Baton Rouge, Louisiana State University at Alexandria, Louisiana State University at Eunice, Louisiana State University Medical Center at New Orleans, Louisiana State University Medical Center at Shreveport, University of New Orleans at New Orleans, Paul M. Hebert Law Center at Baton Rouge, and Pennington Biomedical Research Center at Baton Rouge. The Board of Supervisors of Louisiana State University also operates the general medical facilities in the state.
- Southern University System includes Southern University and A&M College at Baton Rouge, Southern University at New Orleans, and Southern University at Shreveport.
- University of Louisiana System includes the regional colleges and universities of Grambling State University at Grambling, Louisiana Tech University at Ruston, McNeese State University at Lake Charles, Nicholls State University at Thibodaux, University of Louisiana at Monroe, Northwestern State University at Natchitoches, Southeastern Louisiana University at Hammond, and University of Louisiana at Lafayette.
- Board of Regents is the policy making board for Louisiana State University Board of Supervisors, Louisiana State University Systems, Southern University Board of Supervisors, Southern University Systems, and Board of Supervisors of Community and Technical Colleges.

- Community and Technical Colleges System includes 9 community colleges and 42 technical colleges.

### GREATER NEW ORLEANS EXPRESSWAY COMMISSION

The Greater New Orleans Expressway Commission was formed on October 20, 1954 to construct, operate and maintain the Expressway which is a bridge causeway across Lake Pontchartrain connecting Jefferson and St. Tammany parishes. Responsibilities include construction of approaches, access roads, other structures, and traffic safety facilities.

### LOUISIANA STADIUM AND EXPOSITION DISTRICT

The purpose of the district is to plan, finance, construct, develop, maintain, and operate an enclosed and covered stadium, as well as coliseums, sports arenas, sports pavilions, exposition sites, field houses, or other buildings or structures for holding sports events, athletic contests, contests of skill, exhibitions, spectacles, and other public meetings. The District is responsible for servicing and retiring the principal and interest on all bonds issued.

### ORLEANS LEVEE DISTRICT

The Orleans Levee District is responsible for the location, construction, maintenance, and improvement of levees and related works for Lake Pontchartrain and the connecting canals in Orleans Parish.

### TOBACCO SETTLEMENT FINANCING CORPORATION

The Tobacco Settlement Financing Corporation, created by Act 1145 of 2001, is responsible for financing, purchasing, owning, and managing 60% of the tobacco assets and activities of the state of Louisiana. It issued bonds to finance the purchase of these pledged tobacco settlement revenues from the state. The revenues consist of amounts required to be paid to the state by participating tobacco manufacturers for tobacco-related injuries.



# State of Louisiana

## COMBINING BALANCE SHEET

### COMPONENT UNITS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	LOUISIANA STATE UNIVERSITY SYSTEM	UNIVERSITY OF LOUISIANA SYSTEM	SOUTHERN UNIVERSITY SYSTEM	COMMUNITY AND TECHNICAL COLLEGES SYSTEM
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 229,807	\$ 101,117	\$ 22,222	\$ 22,767
INVESTMENTS	6,511	--	--	--
RECEIVABLES (NET)	211,590	35,139	4,600	16,584
AMOUNTS DUE FROM PRIMARY GOVERNMENT	18,528	4,826	626	476
DUE FROM FEDERAL GOVERNMENT	--	1,176	10,329	19,434
INVENTORIES	39,863	6,463	197	1,493
PREPAYMENTS	3,546	9,381	586	1,044
NOTES RECEIVABLE	6,017	4,177	398	--
OTHER CURRENT ASSETS	953	2,376	9	30
TOTAL CURRENT ASSETS	<u>516,815</u>	<u>164,655</u>	<u>38,967</u>	<u>61,828</u>
<b>NONCURRENT ASSETS:</b>				
<b>RESTRICTED ASSETS:</b>				
CASH	50,651	64,767	9,161	67,886
INVESTMENTS	137,390	94,385	3,908	42,591
RECEIVABLES (NET)	4	652	1,576	--
NOTES RECEIVABLE	12,817	10,407	--	18
OTHER	12,003	263	--	--
NOTES RECEIVABLE	12,326	14,821	--	--
INVESTMENTS	13	--	--	--
<b>CAPITAL ASSETS (NOTE 5)</b>				
LAND	106,887	35,164	7,753	14,836
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	567,900	466,292	114,197	72,695
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	236,510	46,539	6,741	12,204
INFRASTRUCTURE (NET OF DEPRECIATION)	29,570	2,438	1,378	--
CONSTRUCTION IN PROGRESS	155,586	43,383	7,490	17,174
OTHER NONCURRENT ASSETS	4,102	1,869	--	409
TOTAL NONCURRENT ASSETS	<u>1,325,759</u>	<u>780,980</u>	<u>152,204</u>	<u>227,813</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,842,574</u>	<u>\$ 945,635</u>	<u>\$ 191,171</u>	<u>\$ 289,641</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES:</b>				
ACCOUNTS PAYABLE AND ACCRUALS	\$ 294,626	\$ 27,024	\$ 10,034	\$ 24,196
AMOUNTS DUE TO PRIMARY GOVERNMENT	2,127	--	--	26
DEFERRED REVENUES	79,314	16,808	6,208	7,882
AMOUNTS HELD IN CUSTODY FOR OTHERS	5,937	3,289	803	245
OTHER CURRENT LIABILITIES	953	2,943	348	91
<b>CURRENT PORTION OF LONG-TERM LIABILITIES:</b>				
CONTRACTS PAYABLE	--	--	--	--
COMPENSATED ABSENCES PAYABLE	8,226	2,726	504	2,393
CAPITAL LEASE OBLIGATIONS	9,106	128	--	70
NOTES PAYABLE	2,747	635	--	--
LIABILITIES PAYABLE FROM RESTRICTED ASSETS	--	--	--	--
BONDS PAYABLE	8,248	4,940	147	32
OTHER LONG-TERM LIABILITIES	--	--	--	--
TOTAL CURRENT LIABILITIES	<u>411,284</u>	<u>58,493</u>	<u>18,044</u>	<u>34,935</u>
<b>NONCURRENT LIABILITIES:</b>				
<b>NONCURRENT PORTION OF LONG-TERM LIABILITIES:</b>				
CONTRACTS PAYABLE	--	--	--	--
COMPENSATED ABSENCES PAYABLE	110,597	24,995	12,166	12,524
CAPITAL LEASE OBLIGATIONS	42,548	1,017	--	4,105
NOTES PAYABLE	16,206	4,195	--	--
BONDS PAYABLE	168,970	90,595	401	118,053
OTHER LONG-TERM LIABILITIES	4,064	375	--	277
TOTAL NONCURRENT LIABILITIES	<u>342,385</u>	<u>121,177</u>	<u>12,567</u>	<u>134,959</u>
<b>TOTAL LIABILITIES</b>	<u>753,669</u>	<u>179,670</u>	<u>30,611</u>	<u>169,894</u>
<b>NET ASSETS:</b>				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	869,862	493,280	137,011	98,250
<b>RESTRICTED FOR:</b>				
CAPITAL PROJECTS	--	--	--	--
DEBT SERVICE	--	--	--	--
NONEXPENDABLE	115,518	97,101	6,095	3,153
EXPENDABLE	183,313	134,282	16,171	4,345
OTHER PURPOSES	--	--	--	--
UNRESTRICTED	(79,788)	41,302	1,283	13,999
TOTAL NET ASSETS	<u>1,088,905</u>	<u>765,965</u>	<u>160,560</u>	<u>119,747</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,842,574</u>	<u>\$ 945,635</u>	<u>\$ 191,171</u>	<u>\$ 289,641</u>

\* As of October 31, 2002.

The notes to the financial statements are an integral part of this statement.

# State of Louisiana

BOARD OF REGENTS	GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	LOUISIANA STADIUM AND EXPOSITION DISTRICT	ORLEANS LEVEE DISTRICT	TOBACCO SETTLEMENT FINANCING CORPORATION	NONMAJOR COMPONENT UNITS	TOTAL COMPONENT UNITS
\$ 1,521	\$ 2,499	\$ 28,903	\$ 14,885	\$ 225	\$ 176,625	\$ 600,571
--	8,503	--	20,190	--	130,029	165,233
109	12	7,659	1,625	--	14,071	291,389
22,170	--	20	--	--	23,466	70,112
2,667	--	--	--	--	3,403	37,009
--	330	150	497	--	776	49,769
5	5	41	--	--	257	14,865
--	--	--	--	--	459	11,051
--	--	--	664	--	2,862	6,894
<u>26,472</u>	<u>11,349</u>	<u>36,773</u>	<u>37,861</u>	<u>225</u>	<u>351,948</u>	<u>1,246,893</u>
--	--	3,914	1,945	--	14,234	212,558
--	37,911	--	--	138,075	6,204	460,464
--	1,839	252	--	29	10,833	15,185
--	--	--	--	--	--	23,242
--	--	--	--	--	--	12,266
--	--	--	--	--	34,664	61,811
--	--	--	--	--	24,211	24,224
--	--	13,944	31,684	--	26,843	237,111
--	1,074	211,036	37,567	--	105,119	1,575,880
169	1,246	7,552	2,800	--	14,307	328,068
--	77,244	--	107,380	--	75,768	293,778
--	--	5,798	2,436	--	36,331	268,198
--	--	--	500	28,695	9,246	44,821
<u>169</u>	<u>119,314</u>	<u>242,496</u>	<u>184,312</u>	<u>166,799</u>	<u>357,760</u>	<u>3,557,606</u>
<u>\$ 26,641</u>	<u>\$ 130,663</u>	<u>\$ 279,269</u>	<u>\$ 222,173</u>	<u>\$ 167,024</u>	<u>\$ 709,708</u>	<u>\$ 4,804,499</u>
\$ 26,046	\$ 678	\$ 26,568	\$ 1,924	\$ 48	\$ 18,683	\$ 429,827
--	--	--	--	--	--	2,153
--	553	4,472	1,005	--	1,076	117,318
--	--	--	--	--	5	10,279
--	--	--	11	8,361	153	12,860
--	--	--	1,157	--	864	2,021
22	--	271	36	--	617	14,795
--	--	--	--	--	427	9,731
--	--	610	--	--	7,684	11,676
--	4,928	--	773	--	973	6,674
--	3,130	4,120	4,285	--	10,975	35,877
--	--	--	--	--	705	705
<u>26,068</u>	<u>9,289</u>	<u>36,041</u>	<u>9,191</u>	<u>8,409</u>	<u>42,162</u>	<u>653,916</u>
--	--	--	--	--	8,706	8,706
570	917	--	977	--	2,488	165,234
--	--	--	--	--	206	47,876
--	--	6,335	--	--	15,985	42,721
--	61,285	187,390	74,042	1,135,345	31,533	1,867,614
--	1,448	247	14,234	--	5,763	26,408
<u>570</u>	<u>63,650</u>	<u>193,972</u>	<u>89,253</u>	<u>1,135,345</u>	<u>64,681</u>	<u>2,158,559</u>
<u>26,638</u>	<u>72,939</u>	<u>230,013</u>	<u>98,444</u>	<u>1,143,754</u>	<u>106,843</u>	<u>2,812,475</u>
169	15,149	46,820	103,540	--	218,652	1,982,733
--	--	407	--	--	9,881	10,288
--	--	6,746	--	138,103	801	145,650
--	--	--	--	--	--	221,867
(28)	--	--	--	--	--	338,083
--	36,598	4,100	951	--	54,321	95,970
(138)	5,977	(8,817)	19,238	(1,114,833)	319,210	(802,567)
<u>3</u>	<u>57,724</u>	<u>49,256</u>	<u>123,729</u>	<u>(976,730)</u>	<u>602,865</u>	<u>1,992,024</u>
<u>\$ 26,641</u>	<u>\$ 130,663</u>	<u>\$ 279,269</u>	<u>\$ 222,173</u>	<u>\$ 167,024</u>	<u>\$ 709,708</u>	<u>\$ 4,804,499</u>

# State of Louisiana

## COMBINING STATEMENT OF ACTIVITIES

### COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	\$ 2,495,329	\$ 1,466,490	\$ 364,436	\$ 80,847	\$ (583,556)
UNIVERSITY OF LOUISIANA SYSTEM	750,130	256,480	180,926	32,596	(280,128)
SOUTHERN UNIVERSITY SYSTEM	191,549	35,724	58,810	2,815	(94,200)
COMMUNITY AND TECHNICAL COLLEGES SYSTEM	289,653	42,270	104,044	8,345	(134,994)
BOARD OF REGENTS	74,377	1,510	211	--	(72,656)
GREATER N.O. EXPRESSWAY COMMISSION *	15,725	15,130	1,651	--	1,056
LOUISIANA STADIUM AND EXPOSITION DISTRICT	91,786	32,112	5,042	13,879	(40,753)
ORLEANS LEVEE DISTRICT	35,344	12,566	--	1,152	(21,626)
TOBACCO SETTLEMENT FINANCING CORPORATION	69,445	--	--	--	(69,445)
NONMAJOR COMPONENT UNITS	206,592	29,181	54,199	14,990	(108,222)
TOTAL COMPONENT UNITS	\$ 4,219,930	\$ 1,891,463	\$ 769,319	\$ 154,624	\$ (1,404,524)

	GENERAL REVENUES		CHANGE IN NET ASSETS	NET ASSETS	
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES		BEGINNING OF YEAR AS RESTATED	NET ASSETS END OF YEAR
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	\$ 532,436	\$ 27,857	\$ (23,263)	\$ 1,112,168	\$ 1,088,905
UNIVERSITY OF LOUISIANA SYSTEM	291,184	18,028	29,084	736,881	765,965
SOUTHERN UNIVERSITY SYSTEM	74,442	15,100	(4,658)	165,218	160,560
COMMUNITY AND TECHNICAL COLLEGES SYSTEM	145,508	3,195	13,709	106,038	119,747
BOARD OF REGENTS	64,951	7,653	(52)	55	3
GREATER N.O. EXPRESSWAY COMMISSION *	--	5,735	6,791	50,933	57,724
LOUISIANA STADIUM AND EXPOSITION DISTRICT	--	39,015	(1,738)	50,994	49,256
ORLEANS LEVEE DISTRICT	1,579	22,569	2,522	121,207	123,729
TOBACCO SETTLEMENT FINANCING CORPORATION	--	104,310	34,865	(1,011,595)	(976,730)
NONMAJOR COMPONENT UNITS	39,041	79,878	10,697	592,168	602,865
TOTAL COMPONENT UNITS	\$ 1,149,141	\$ 323,340	\$ 67,957	\$ 1,924,067	\$ 1,992,024

\* For the period ending October 31, 2002.

# NOTES TO THE BASIC FINANCIAL STATEMENTS



Note 1	Summary of Significant Accounting Policies
Note 2	Deposits and Investments
Note 3	Accounts Receivable and Accounts Payable
Note 4	Interfund Accounts and Transfers
Note 5	Capital Assets
Note 6	Employee Benefits
Note 7	Leases
Note 8	Long-term Obligations
Note 9	Contingencies
Note 10	Fund Balances and Net Assets Disclosures
Note 11	Other Disclosures
Note 12	Subsequent Events

## NOTES TO THE BASIC FINANCIAL STATEMENTS June 30, 2003

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the State of Louisiana (State) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements present the financial position and results of operations of the various funds of the State and the cash flows of the proprietary funds as of and for the year ended June 30, 2003.

#### A. REPORTING ENTITY

The State reporting entity consists of the various departments, agencies, activities, and organizational units that are within the control and authority of the Louisiana Legislature and/or constitutional officers of the State. The State, like that of the United States, has three branches of government – legislative (bicameral), executive and judicial.

As required by GASB Statement No. 14, *The Financial Reporting Entity*, a legally separate entity is considered to be a component unit of the State if at least one of the following criteria is met:

- The State appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the State.
- The entity is fiscally dependent on the State.
- The nature and significance of the relationship between the State and the entity is such that exclusion would cause the financial statements of the State to be misleading or incomplete.

Depending upon the closeness of their relationship with the State, some component units are blended with the State reporting entity, while others are discretely reported.

The following potential component units were evaluated to identify those entities whose financial activities should be blended with the primary government, discretely reported, disclosed in the Notes to the Basic Financial Statements as a related organization, or excluded from the State reporting entity:

#### Blended Component Units

Qualifying component units are reported as though they are part of the State.

A brief description and address of some of the major blended component units follow. Names and addresses of the remaining units may be obtained from the Office of Statewide Reporting and Accounting Policy at P.O. Box 94095, Baton Rouge, LA 70804-9095. Notations are included for all organizations whose fiscal years differ from that of the State.

Louisiana Asset Management Pool (LAMP), 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130, is a cooperative endeavor to establish a local government investment pool administered by the State Treasurer. LAMP has a December 31 fiscal year end.

Louisiana Correctional Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, acquires and finances correctional facilities for lease to the State and is authorized to issue revenue bonds for its purposes.

Louisiana Lottery Corporation, 555 Laurel Street, Baton Rouge, LA 70801, a nonprofit corporation, conducts and administers the State lottery to ensure the integrity of the lottery and maintain the dignity of the State and the general welfare of its people.

Louisiana Office Building Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit quasi-public corporation, was created to construct, acquire and lease buildings and facilities on behalf of and for the benefit of the State and may finance such acquisitions by issuing revenue bonds.

Office Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, finances the acquisition or construction of public facilities for lease to the State through the issuance of revenue bonds.

Louisiana Tourism Promotion District, P.O. Box 94361, Baton Rouge, LA 70804-9361, was created to promote and develop tourism in the State. Taxes collected by the District provide funding for the Department of Culture, Recreation, and Tourism and the State General Fund.

The four statewide pension systems are fiscally dependent on the State since the legislature must approve the rates and charges of each system. The four systems are as follows:

- Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, LA 70804-4516, was

# State of Louisiana

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established in 1947 for the benefit of persons employed as school bus drivers, school janitors, school custodians, and school maintenance employees.

- Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, was established in 1947 to benefit all State employees except those excluded by statute.
- Louisiana State Police Retirement System, 3100 Brentwood Drive, Suite B, Baton Rouge, LA 70809, was established in 1938 for the benefit of commissioned law enforcement officers and the Superintendent of the Office of State Police.
- Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123, was established in 1936 for the benefit of public school teachers.

## Discretely Presented Component Units

Discrete component units are legally separate from the State, but are either financially accountable to the State, or their relationship with the State is such that exclusion would cause the basic financial statements of the State to be misleading or incomplete.

Following are brief descriptions of some of the major discretely presented component units, including addresses at which financial statements may be obtained. Notations are included for organizations whose fiscal years differ from that of the State.

Board of Regents, Claiborne Building, Suite 6-180, Baton Rouge, LA 70802, is the policy making board for the four higher education systems of the State.

Board of Supervisors of Louisiana State University System, 3810 West Lakeshore Drive, Baton Rouge, LA 70808, is the managing and supervising board for the Louisiana State University System (LSU), which includes the following campuses:

- LSU and A&M College at Baton Rouge
- LSU Agricultural Center at Baton Rouge
- LSU at Alexandria
- LSU at Eunice
- LSU Health Sciences Center at New Orleans
- LSU Health Sciences Center at Shreveport
- LSU at Shreveport
- University of New Orleans at New Orleans
- Paul M. Hebert Law Center at Baton Rouge
- Pennington Biomedical Research Center at Baton Rouge

The Board of Supervisors of LSU also operates the following general medical facilities in the State:

- Dr. Walter O. Moss Regional Medical Center at Lake Charles
- E. A. Conway Medical Center at Monroe
- Earl K. Long Medical Center at Baton Rouge
- Huey P. Long Medical Center at Pineville
- Lallie Kemp Regional Medical Center at Independence
- Medical Center of Louisiana (Charity Hospital) at New Orleans including University Hospital
- Leonard J. Chabert Medical Center at Houma
- University Medical Center at Lafayette
- Washington-St. Tammany Regional Medical Center at Bogalusa.

Board of Supervisors - University of Louisiana System, 1201 North Third Street, Suite 7-300, Baton Rouge, LA 70802, is the managing and supervising board for the following regional universities:

- Grambling State University at Grambling
- Louisiana Tech University at Ruston
- McNeese State University at Lake Charles
- Nicholls State University at Thibodaux
- University of Louisiana at Monroe
- Northwestern State University at Natchitoches
- Southeastern Louisiana University at Hammond
- University of Louisiana at Lafayette.

Board of Supervisors of the Southern University System, P.O. Box 10878, Baton Rouge, LA 70813, is the managing and supervising board of the Southern University System, which includes the following campuses:

- Southern University and A&M College at Baton Rouge
- Southern University at New Orleans
- Southern University at Shreveport.

Board of Supervisors of the Louisiana Community and Technical Colleges, 822 Neosho Avenue, Baton Rouge, LA 70802, is the managing and supervising board of the nine community colleges and one Louisiana Technical College with 42 branch campuses.

Capital Area Human Services District, 4615 Government Street, Bldg. 2, Baton Rouge, LA 70806, was established to direct the operation of community-based programs and services to public health, mental health, developmental disabilities, and substance abuse services.

Greater Baton Rouge Port Commission, P.O. Box 380, Port Allen, LA 70767-0380, regulates commerce and traffic within the port area. The fiscal year end of the port commission is December 31.

# State of Louisiana

Greater New Orleans Expressway Commission, P.O. Box 7656, Metairie, LA 70010, was created to construct, operate, and maintain the Greater New Orleans Expressway. The fiscal year end of the commission is October 31.

Jefferson Parish Human Services Authority, 3101 W. Napoleon Avenue, Suite 229, Metairie, LA 70001, was established to provide the operations of mental health, developmental disabilities, and substance abuse services for the residents of Jefferson Parish.

Louisiana Agricultural Finance Authority, P.O. Box 3334, Baton Rouge, LA 70821-3334, was created to alleviate the severe shortage of capital and credit available for investment in agriculture in the State and to promote agriculture and forestry in Louisiana.

Louisiana Economic Development Corporation, P.O. Box 94185, Baton Rouge, LA 70804-9185, is the financial assistance division of the Department of Economic Development and administers programs such as loan guarantees and venture capital for small- and medium-sized businesses.

Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, LA 70808, is authorized to undertake various programs to assist in financing housing needs of persons of low and moderate incomes and may issue bonds or other evidence of indebtedness to accomplish its purposes. The relationship to the State is such that to exclude it from the basic financial statements would be misleading.

Louisiana Motor Vehicle Commission, 3519 12th Street, Metairie, LA 70002, regulates all areas of the new car industry, including motor vehicle sales finance companies in Louisiana.

Louisiana Stadium and Exposition District, Sugar Bowl Drive, New Orleans, LA 70112, is responsible for financing and operating an enclosed covered stadium, as well as other related facilities and structures for holding sporting events, athletic contests, exhibitions, and other public meetings.

Louisiana State Board of Private Investigator Examiners, 2051 Silverside Dr., Suite 190, Baton Rouge, LA 70808, regulates and licenses persons and businesses providing private investigative services.

Louisiana Used Motor Vehicle and Parts Commission, 3132 Valley Creek Dr., Baton Rouge, LA 70808, administers and enforces statutory provisions regarding the sale of used motor vehicles and parts.

Orleans Levee District, 6001 Stars and Stripes Blvd., Suite 202, Admin. Bldg., New Orleans, LA 70126, primarily operates and maintains flood protection for the city of New Orleans, the southern shores of Lake Pontchartrain, and along the Mississippi River. It also operates and maintains public parks, beaches, the New Orleans and South Shore Harbors and Marinas, and the New Orleans Lakefront Airport.

Other Levee Districts provide services necessary to ensure adequate drainage control and to protect lands within their respective districts from damage by flood and include:

- Atchafalaya Basin, P.O. Box 170, Port Allen, LA 70767
- Amite River Basin Drainage and Water Conservation District, Suite 135, 3535 S. Sherwood Forest Blvd., Baton Rouge, LA 70816
- Bossier, P.O. Box 8279, Bossier City, LA 71113
- Caddo, P.O. Box 78282, Shreveport, LA 71137
- East Jefferson, 203 Plaque Ct., Harahan, LA 70123
- Fifth Louisiana, 222 N. Cedar St., Tallulah, LA 71282
- Lafourche Basin, P.O. Box 670, Vacherie, LA 70090
- Lake Borgne Basin, P.O. Box 216, Violet, LA 70092
- Natchitoches Levee and Drainage District, P.O. Box 1209, Natchitoches, LA 71458
- Nineteenth Louisiana, P.O. Box 267, Colfax, LA 71417
- North Bossier, P.O. Box 338, Benton, LA 71006
- North Lafourche Conservation, Levee and Drainage District, P.O. Box 230, Raceland, LA 71006. The District has a December 31 fiscal year end.
- Pontchartrain, P.O. Box 426, Lutcher, LA 70071
- Red River, Atchafalaya, and Bayou Boeuf, P.O. Box 8235, Alexandria, LA 71306
- Red River Levee and Drainage District, P.O. Box 433, Coushatta, LA 71019
- South Lafourche, P.O. Box 426, Galliano, LA 70354
- Tensas Basin, P.O. Box 68, Rayville, LA 71269
- West Jefferson, 7001 River Road, Marrero, LA 70072
- Bayou D'Arbonne Lake Watershed District, P.O. Box 1613, Ruston, LA 71273-1613. The District has a December 31 fiscal year end.

Poverty Point Reservoir District, P.O. Box 811, Delhi, LA 71232, was created to develop a multi-faceted water resource and recreation lake. The relationship to the State is such that to exclude the District from the basic financial statements of the State would be misleading.

Sabine River Authority, 15091 Texas Highway, Many, LA 71449, is charged with the development of Toledo Bend resources within the State.

## Related Organizations

Organizations, for which a primary government is accountable because that government appoints a voting

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majority of the board, but is not financially accountable, are considered related organizations. These related organizations are not reported in the accompanying basic financial statements and include:

- Ascension-St. James Airport and Transportation Authority
- River Parishes Transit Authority
- Castor Creek Reservoir District
- Greater Ouachita Port Commission
- St. Bernard Harbor and Terminal District
- South Tangipahoa Parish Port Commission
- North Terrebonne Parish Tidewater Management and Conservation District
- South Terrebonne Parish Tidewater Management and Conservation District
- Grand Isle Independent Levee District
- River Region Cancer Screening and Early Detection District
- Louisiana Airport Authority
- Ernest N. Morial New Orleans Exhibition Hall Authority
- Chaplin Lake District
- Allen Parish Reservoir District
- Grand Bayou Reservoir
- Seventh Ward Neighborhood Development District
- Terrebonne Levee and Conservation District
- Twelfth and Thirteenth Wards Neighborhood Development District
- Fourteenth and Sixteenth Wards Neighborhood Development District
- Associated Branch Pilots of the Port of Lake Charles
- Associated Branch Pilots of the Port of New Orleans
- Crescent River Port Pilots' Association
- New Orleans Steamship Pilots' Association

## Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual arrangement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (1) an ongoing financial interest or (2) an ongoing financial responsibility. The purposes of a joint venture are to pool resources and share the costs, risks, and rewards of providing goods, or services to venture participants directly, or for the benefit of the general public or specific service recipients.

The Sabine River Authority of Louisiana participates equally with the Sabine River Authority of Texas in the Sabine River Compact Administration (Compact), 15091 Texas Highway, Many, LA 71449, and, through the Sabine River Authority, with the Sabine River Authority of Texas in the Toledo Bend Joint Operation (Joint Operation), Rt. 1, Box 270, Burkeville, TX 75932. Separate financial statements are prepared for the

operations of both the Compact and the Joint Operation and may be obtained by contacting the entities at the addresses above. The Compact was created under authority granted by an act of the Congress of the United States to provide equitable apportionment of the waters of the Sabine River and its tributaries. A five-member board composed of two members appointed by the governors of each state and one non-voting, ex-officio member appointed by the President of the United States administers the Compact. The Joint Operation was established by joint resolution of the Sabine River Authorities of Texas and Louisiana for the construction and operation of the Toledo Bend Dam and Reservoir project administered by a board composed of three members appointed by the Texas Authority and three members appointed by the Louisiana Authority. Costs of the Compact not paid by the federal government are to be paid equally by the two states, which share equally in the costs of the Joint Operation. Each state owns an undivided one-half share of all lands acquired for the project and each state owns and is entitled to 50% of the water produced and 50% of the power generated by the Joint Operation and may sell, use, or otherwise dispose of its share without consent and permission of the other Authority.

The Sabine River Authority of Louisiana's share of the joint ventures is reported as a discrete component unit in the accompanying basic financial statements. For fiscal year 2003, the Sabine River Authority of Louisiana reported a decrease in net assets of (\$650,000) from fiscal year 2002.

## Jointly Governed Organizations

A jointly governed organization is one governed by representatives from each of the governments creating it and in which the participants do not retain an ongoing financial interest or financial burden, therefore, they are not reported in the accompanying basic financial statements. These organizations include the Gulf States Marine Fisheries Commission and the Southern Rapid Rail Transit Commission.

## B. BASIS OF PRESENTATION

The financial report consists of Management Discussion and Analysis (MD&A), basic financial statements, notes to the basic financial statements and required supplemental information other than the MD&A. The MD&A provides an analytical overview of the financial activities of the State. The basic financial statements include the **government-wide financial statements, fund financial statements, and notes to the basic financial statements.**

The government-wide statements consist of a Statement of Net Assets and a Statement of Activities. These statements are prepared using the economic resources

# State of Louisiana

measurement focus and accrual basis of accounting, with revenues recognized in the period earned and expenses recognized in the accounting period in which the associated liability is incurred. Major revenues such as sales tax, general severance tax, gasoline tax, inspection fees, and tobacco tax are assessed and collected so they can be accrued accordingly. Assets, liabilities, revenues, and expenses of the government are reported. The statements distinguish between the governmental and business-type activities of the primary government and between the total primary government and its component units by reporting each in separate columns. Fiduciary activities and component units that are fiduciary in nature, whose resources are not available to finance the government's programs, are excluded from the government-wide statements.

All capital (long-lived) assets, receivables and long-term obligations are reported in the Statement of Net Assets. The Statement of Activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the State. Both the gross and net cost per function, which is otherwise being supported by general government revenues, is compared to the revenues generated directly by the function. In the Statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, operating and capital grants. Direct and indirect expenses are reported as program expenses for individual functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are sales of commodities, licenses, permits and fees. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The fund financial statements report the State as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary and fiduciary funds.

- The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the general fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered 45 days after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable,

except for unmatured interest payments on general long-term liabilities, which are recognized when due.

- The proprietary fund statements include a balance sheet, statement of revenues, expenses and changes in fund net assets and a statement of cash flows. Each statement has one column for each of the major enterprise funds, one that combines all the nonmajor enterprise funds and one column that reports all internal service funds. The proprietary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting, in order to make a determination of net income, financial position, and cash flows. Internal service funds are included in governmental activities for government-wide reporting purposes and the excess revenues or expenses from the funds are allocated to the appropriate functional activity.
- The fiduciary fund statements include a statement of fiduciary net assets and a statement of changes in fiduciary net assets with one column for each of the four types of fiduciary funds. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting, except agency fund statements, which use the economic resources measurement focus and the modified accrual basis of accounting.

Although the financial statements presented in each of these three schedules contain "total" columns, they merely combine rather than consolidate the funds. Hence, interfund transactions that generate receivables and payables or transfers from one fund to another are not eliminated.

Major funds are those whose revenues, expenditures/expenses, assets, or liabilities are at least 10 percent of the total for their fund category or type (governmental or enterprise) and at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the financial report. This additional information is presented in the form of a single set of **notes to the basic financial statements**.

## Governmental Funds

The major governmental funds of the State are the General Fund, Medicaid Trust Fund for the Elderly, Bond Security and Redemption Fund, and the Louisiana Education Quality Trust Fund.

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**General Fund** The General Fund is the principal operating fund of the State, and was established administratively to provide for the distribution of funds appropriated by the state legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are recorded in the General Fund. Revenues originate from the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt requirements and obligations to other funds are met.

**Medicaid Trust Fund for the Elderly** This fund was created to act as a trust fund for revenues received from the intergovernmental transfer programs. Monies in the fund may be used as the source of State matching funds for Medicaid funds to make enhanced payments to local government owned health care facilities. In future years, spending from this fund will be limited to the amount of earnings on investments of the fund.

**Bond Security and Redemption Fund** This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations, or other forms of assistance when the terms and conditions of the related agreements require otherwise. Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the State that are due and payable within the current fiscal year, including debt principal, interest, premiums, and sinking or reserve funds. Except as otherwise provided by law, money remaining in the fund is credited to the General Fund at year-end.

**Louisiana Education Quality Trust Fund** Once requirements of the Bond Security and Redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf pending a settlement between the United States and State of Louisiana are deposited by the State Treasurer in this fund. The money is held in a trustee capacity to be used for various educational purposes.

## Proprietary Funds

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the State has elected to follow GASB statements issued after November 30, 1989, rather than the Financial Accounting Standards Board statements, in accounting for enterprise funds and business type activities. These funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and

services as their principal operation. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The major enterprise funds of the State are the Louisiana Lottery Corporation (discussed previously in the Blended Component Units section) and Unemployment Trust Fund described below.

**Unemployment Trust Fund** This fund accounts primarily for the unemployment tax payments from employers for the payment of unemployment benefits to eligible claimants.

## Fiduciary Funds

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. These funds are presented in the fund financial statements, but are not incorporated into the government-wide statements. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government.
- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity other than agencies of the State and do not involve measurement of results of operations. The provisions of GASB 34, paragraph 111, have been followed.

## C. ASSETS, LIABILITIES, AND NET ASSETS, EQUITY, OR NET FUND BALANCES

### Cash and Investments

The State Treasurer pools those cash resources for which he is responsible and invests them accordingly. State policy describes cash equivalents as all highly liquid investments with a maturity date of three months or less when purchased and all negotiable certificates of deposit, regardless of maturity date. These highly liquid investments (including restricted assets) are reported as cash equivalents in the accompanying basic financial statements.

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Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the General Fund unless statutorily dedicated to specific funds. Cash and investment limitations are discussed in Note 2.

In accordance with bond resolution requirements, the trustee for the Transportation Trust Fund debt service accounts invests in principal-only strips. These are included in the disclosure of custodial credit risk as U.S. Government Obligations. (See Note 2 on Deposits and Investments.)

## Receivables and Payables

Activity between funds that are outstanding at the end of the fiscal year are referred to as either "due to or due from other funds" or "advances to or advances from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net assets as receivable from and payable to external parties rather than as "internal balances." All internal balances are eliminated in the total primary government column. Receivables of the primary government and its component units or between those components include all amounts susceptible to accrual that have not been collected at June 30, but will be collected soon enough after the end of the year to pay liabilities of that year. They include all amounts earned, but not collected, at June 30. Receivables, net of any uncollectible amounts, and payables are reported on separate lines.

## Inventories and Prepaid Items

Inventories consisting primarily of materials and supplies held for consumption, merchandise and livestock held for resale, and expendable medical supplies are valued primarily using the average cost method. The consumption method is used for financial reporting.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

## Derivatives

In accordance with their investment authority, certain blended component units invest in derivative financial instruments. These derivatives are held in part to

maximize yields on investments and in part to hedge against changes in interest rates. Risks associated with derivative instruments are the potential for credit loss in the event of nonperformance by other parties to the contracts, market risk as a result of possible future changes in market prices, and legal risk that a transaction will be prohibited by law.

## Restricted Assets

Restricted assets represent primarily cash, investments, and receivables held separately and restricted according to applicable bond indenture agreements.

## Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure is reported retroactively to 1960.

For reporting purposes, the State has defined capital assets as follows:

- Movable property is defined by the State as assets with an initial, individual cost of more than \$5,000. When purchased, movable property is recorded as an expenditure in the governmental fund and capitalized in the government-wide level financial statements. At the government-wide level, they are depreciated using the straight-line basis over the estimated useful life of the asset, generally 5 to 10 years.
- The Buildings and improvements capitalization threshold of \$100,000 was established in 2001. Land, buildings, improvements, and construction in progress are recorded as expenditures in the Capital Outlay Escrow Fund at the fund level and capitalized at the government-wide level; fixed assets of enterprise, internal service, and permanent trust funds are reported in the respective funds. These assets are depreciated principally using the straight-line basis over their estimated useful lives, generally 40 years for structures and improvements, 20 years for depreciable land improvements and 6 years for machinery and equipment.
- Infrastructure assets such as roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems are recorded as expenditures in the Capital Outlay Escrow Fund at the fund level and capitalized at the government-wide level. These assets have a capitalization threshold of \$3,000,000 and are depreciated using the straight-line method over an estimated useful life of 40 years.
- Purchased computer software has a capitalization threshold of \$1,000,000 and is depreciated using the



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straight-line method over an estimated useful life of three years.

- Leasehold improvements have a capitalization threshold of \$100,000 and are depreciated using the straight-line method with an estimated useful life depending on the term of the lease.
- Historical treasures and works of art are items held for public exhibition, educational purposes, or research in enhancement of public service instead of financial gain, and therefore are not capitalized or depreciated.
- Donated fixed assets are valued at their estimated fair market value at the time of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

## **Compensated Absences**

Classified and unclassified State employees earn annual leave and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accrued by each employee is unlimited. An employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. LRS 17:425 provides for payment for up to 25 days of unused sick leave for all employees under the supervision of the Board of Elementary and Secondary Education, or other boards of control of publicly supported educational institutions.

Upon a member's retirement, annual leave balances in excess of 300 hours, and the number of hours of unused sick leave, are converted to years or fractions of years and added to the number of years of service earned by the retiree. Unused annual and sick leave are applied to the number of years of service only for computing the rate of pay due to the retiree and do not count toward the number of years necessary for retirement. Act 343 of 1993 allows members retiring after August 15, 1993, to elect to receive an actuarially determined lump-sum payment for unused leave that would have been converted for retirement credit.

An employee who is required to work overtime may, at the option of the appointing authority, be credited with compensatory leave for the hours required to work. Certain employees earn this leave at time and one-half, whereas others earn on an hour-for-hour basis. Generally, employees in positions at or below a certain pay level may be paid upon separation or transfer, based on the employee's final regular rate of pay. Compensatory leave for all other employees is canceled upon separation or transfer from the department in which it was earned.

## **Long-term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Also, in the fund financial statements, proprietary fund long-term obligations are reported as liabilities in the proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds.

## **Fund Balances and Net Assets**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Proprietary funds report an all-inclusive change in fund net assets that include capital contributions, contributions to term and permanent endowments, special and extraordinary items, and transfers. Net assets are segregated into three categories on the government-wide statement of net assets: 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted. Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. The State first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. It may defer the use of restricted assets based on a review of the specific transaction.

## **D. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The governmental fund balance sheet includes a reconciliation, which reconciles the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic resources measurement focus and full accrual basis of accounting. Major items included in the reconciliation are capital assets, inventories and prepaids, long-term debt, accrued interest, long-term liabilities, assets and liabilities of internal service funds, and deferred revenue, which are shown on the government-wide but not the governmental fund statements.

## E. BUDGETS AND BUDGETARY ACCOUNTING

Legislation requires that, on or before November 15, the head of each spending agency submit to the Governor, the Joint Legislative Committee on the Budget, and the Legislative Fiscal Office an estimate of the financial requirements and receipts of the budget unit for the upcoming fiscal year [Louisiana Revised Statutes (LRS) 39:33]. The Governor is required to prepare an executive budget and transmit a copy to each member of the Legislature on the first day of the regular session (LRS 39:37). The budget is enacted into law by the Legislature and sent to the Governor for signature. The State Constitution prohibits the passage of an unbalanced budget (Article VII, Section 10). The Governor may veto any line item appropriation, subject to legislative override. Generally, revenues and expenditures are budgeted using the modified accrual basis of accounting. The budget is prepared for each budget unit at the appropriated program level which is the lowest level at which appropriations are adopted. This level of control also applies to the special revenue funds.

LRS 39:73 authorizes the transfer of funds. However, by unilateral action, the Commissioner of Administration is authorized to approve the transfer of funds from one expenditure category to another and transfers between programs if the request is supported by sufficient evidence and does not exceed certain limits. The Commissioner of Administration may approve a transfer of funds between expenditure categories when in aggregate the transfers do not exceed the budget by more than \$50,000. The Commissioner may approve transfer of funds between programs within a budget unit when in aggregate the transfers are not more than 1% of the total appropriation to the budget unit and sufficient evidence is presented. Finally, the Commissioner of Administration, with the approval of the Joint Legislative Committee on the Budget, may approve the transfer of funds between expenditure categories when transfers exceed \$50,000, and between programs within the budget unit when in aggregate the transfers do not exceed 25% of the total appropriation to the budget unit and sufficient evidence is presented. These and other requests for transfers are to be submitted by the budget unit to the Legislative Fiscal Office.

The Governor is required to submit to the Legislature, no later than the eighth day of the regular session, a proposed five-year capital outlay program. The Legislature enacts into law a bill incorporating the first year of the five-year capital outlay program. The Legislature adopts a concurrent resolution for the remaining four years of the five-year capital outlay program, itemizing the capital projects and the amount and source of funding for each of the subsequent four years.

According to LRS 39:77, in no event shall any budget unit commit to an expenditure in excess of the unencumbered balance of the allotment to which the resulting expenditure would be charged, without prior approval of the Interim Emergency Board and two-thirds of the Legislature. The Revenue Estimating Conference has been established to provide an official estimate of anticipated State revenues for each fiscal year. Appropriations by the Legislature from the State General Fund and dedicated funds for any fiscal year shall not exceed the official forecast in effect at the time the appropriations are made. If a cash deficit exists or may occur, the Governor may direct the Commissioner of Administration to reduce or disapprove warrants preventing a cash deficit.

In accordance with LRS 39:82(A), agencies are allowed 45 days for closing out prior year activities. This statute limits the use of appropriation balances after the June 30 close to true liabilities, delineates those items eligible for roll forward treatment, and establishes a 45-day period to request such carry-forwards. After that time, all appropriations lapse except permanent capital outlay appropriations that remains active until the projects are complete. Additionally, upon approval of the Commissioner of Administration, any federal funds and any state funds appropriated during a fiscal year specifically for matching federal grants may be carried forward into the upcoming year's appropriation.

Governments are required to disclose the *original*, *final* and *actual* budgetary basis of the General Fund and each individual major special revenue fund that has a legally adopted budget. For fiscal year 2003, the Medicaid Trust Fund for the Elderly is the only major special revenue fund with a legally adopted budget. The accompanying RSI includes notes and a schedule making this comparison for the General Fund and the Medicaid Trust Fund for the Elderly. Individual fund reporting is included in the Supplementary Information to the Comprehensive Annual Financial Report available on request from the Louisiana Division of Administration, Office of Statewide Reporting and Accounting Policy.

Each year, the Legislature enacts an appropriation bill to establish and re-establish ancillary funds to include the following enterprise and internal service funds: Administrative Service, Louisiana Property Assistance Agency, Louisiana Federal Property Assistance Agency, Office of Telecommunications Management, Administrative Support, Flight Maintenance Operations, Donald J. Thibodeaux Training Complex, Public Safety Services Cafeteria, Jackson Regional Laundry, Central Regional Laundry, Prison Enterprises, and the Municipal Facilities Revolving Loan Fund. Re-established funds are allowed to retain any fund equity resulting from prior year operations. These and all monies from self-generated

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revenues are available for expenditure in the amounts appropriated. The Commissioner of Administration may approve increases from self-generated revenues, not exceeding in aggregate 5% of appropriated self-generated revenues. Only with the approval of the Division of Administration and the Joint Legislative Committee on the Budget will any larger increase in self-generated revenue over the amount appropriated be available to agencies for expenditures.

## F. FUNDS WITH DEFICIT NET ASSETS

The Tobacco Settlement Financing Corporation reported a deficit in net assets in the amount of \$976,730 million. This fund is reported as a major discrete component unit of the State.

## NOTE 2: DEPOSITS AND INVESTMENTS

### A. CASH AND CASH EQUIVALENTS

Included as cash and cash equivalents are bank accounts and short-term investments, especially certificates of deposit. In accordance with LRS 49:321, state depositing authorities shall require as security for deposit of state funds authorized bonds or other interest-bearing notes; authorized promissory notes, warrants, or certificates of indebtedness unmaturing or payable on demand; or notes representing loans to students guaranteed by the Louisiana Student Financial Assistance Commission. Fair value, excluding interest, of such securities held by the depositing authority shall be equal to 100% of the amount on deposit to the credit of the depositing authority except that portion appropriately insured. Designated depositories may be granted a period not to exceed five

days from the date of any deposit to post the necessary security.

The following chart presents bank balances for the primary government and its component units as of June 30, 2003. Deposits are listed in terms of custodial risk involved. Category 1 represents deposits insured (inclusive of FDIC, SIPC or similar federal security) or collateralized with securities held by the state or its agent in the name of the State. Category 2 represents deposits collateralized with securities held by the pledging financial institution's trust department or agent in the name of the State. Category 3 represents deposits uncollateralized including any securities held for the entity but not in the name of the State.

### Bank Balances (Expressed in Thousands)

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Total Bank Balances</u>	<u>Reported Amount</u>
Primary Government					
Cash	\$ 1,758,919	\$ 14,427	\$ 29,082	\$ 1,802,428	\$ 1,620,462
Certificates of Deposit	287,906	8,837	678	297,421	297,927
Other	2,918	5,270	85,814	94,002	94,002
Total Primary Government	<u>2,049,743</u>	<u>28,534</u>	<u>115,574</u>	<u>2,193,851</u>	<u>2,012,391</u>
Component Units					
Cash	177,487	181,006	27,892	386,385	304,721
Certificates of Deposit	66,137	137,363	17,591	221,091	221,081
Other	8,115	17,071	106,015	131,201	131,171
Total Component Units	<u>251,739</u>	<u>335,440</u>	<u>151,498</u>	<u>738,677</u>	<u>656,973</u>
Total Bank Balances	<u>\$ 2,301,482</u>	<u>\$ 363,974</u>	<u>\$ 267,072</u>	<u>\$ 2,932,528</u>	<u>\$ 2,669,364</u>

## B. INVESTMENTS

LRS 49:327 authorizes the State Treasurer to invest available monies in direct Treasury obligations, government agency obligations, corporate bonds, perfected repurchase agreements, and reverse repurchase agreements, time certificates of deposit in specified banks, savings accounts or shares of certain savings and loan associations and savings banks, or in share accounts and share certificate accounts of certain credit unions. Such securities shall not have maturity dates in excess of five years from the purchase date, except monies invested from special funds (those not considered general funds) which shall not exceed 10 years from the date of purchase. In each case, all funds must be fully insured or collateralized by the pledge of securities. Funds not on deposit in the State Treasury are authorized to be invested in time certificates of deposit of specified banks, in savings accounts or shares of specified savings and loan associations and savings banks, or in share accounts and share certificate accounts of specified credit unions. Funds determined to be available for investment for less than 30 days are authorized to be invested in direct United States Treasury obligations that mature in not more than 29 days after the date of purchase. These funds are also required to be fully insured or collateralized.

Because of limited maturity dates, availability of securities, and yield, perfected repurchase agreements are entered into for short-term management purposes. LRS 49:341 - 343 grants defined public entities the authority to invest bond proceeds and monies held in any fund established in connection with bonds in any direct obligation of, or obligation guaranteed by, the United States and in tax-exempt bonds until proceeds are required to be expended for the purpose of the issue.

LRS 11:263 directs Louisiana's pension systems to invest in accordance with the prudent man rule. As used in this statute, the rule means that the systems "... act with the care, skill, prudence, and diligence under the circumstances prevailing that a prudent institutional investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." Notwithstanding the prudent man rule, no governing authority of any system shall invest more than 55% of the total portfolio in equities.

Generally, investment of funds by colleges and universities are subject to the same provisions of LRS 49:327 that govern the State Treasurer and State agencies. However, investment of funds of state colleges and universities derived from private sources such as gifts, grants, and endowments are governed by the "Uniform Management of Institutional Funds Act," LRS 9:2337.1 - 2337.8. Authorized investments include "mortgages, stocks, bonds, debentures, and other securities of profit or nonprofit corporations, shares in or obligations of associations, partnerships, or individuals, and obligations of any government or subdivision or instrumentality thereof." In investing funds, the governing board of the college or university must exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the investment action or decision.

The following chart presents the investment position of the State at June 30, 2003, unless otherwise noted. The various types of investments are listed and presented by category of risk assumed by the State. Category 1 represents those investments insured or registered in the name of the State, or securities held by the State or its agent in the name of the State. Category 2 represents investments uninsured and unregistered with securities held by the counterparty's trust department or agent in the name of the State. Category 3 represents investments unsecured and unregistered with securities held by the counter party, or by its trust department or agent but not in the name of the State.

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## Carrying Amount (Expressed in Thousands)

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Reported Amount</u>	<u>Fair Value</u>
General Government					
Repurchase Agreements	\$1,215,958	\$15,380	\$15,208	\$1,246,546	\$1,246,546
U.S. Government Obligations:					
Not on Securities Loan	445,472	117,124	69,285	631,881	631,881
On Securities Loan	2,074,287			2,074,287	2,074,287
Common & Preferred Stock	204,088		5,668	209,756	209,756
Domestic & Foreign Bonds	2,002,707			2,002,707	2,002,707
Mortgages, Notes and Other					
Miscellaneous Other	0	0	886	886	886
Total General Government	<u>5,942,512</u>	<u>132,504</u>	<u>91,047</u>	<u>6,166,063</u>	<u>6,166,063</u>
Retirement Systems and Other Trusts					
Repurchase Agreements	95,481		394	95,875	95,875
U.S. Government Obligations:					
Not on Securities Loan	1,469,997		1,229	1,471,226	1,471,226
On Securities Loan	215,049			215,049	215,049
Common & Preferred Stock:					
Not on Securities Loan	5,954,071		2	5,954,073	5,954,073
On Securities Loan	452,033			452,033	452,033
Domestic & Foreign Bonds:					
Not on Securities Loan	2,055,914		283	2,056,197	2,056,197
On Securities Loan	156,612			156,612	156,612
Mortgages, Notes and Other	537,744			537,744	537,744
Miscellaneous Short Term	134,008			134,008	134,008
Miscellaneous Other	0		28	28	28
Total Retirement Systems and Other Trusts	<u>11,070,909</u>		<u>1,936</u>	<u>11,072,845</u>	<u>11,072,845</u>
Investments Not Categorized: Primary Government:					
Common and Preferred Stock				\$675,900	\$675,900
Domestic and Foreign Bonds				8,406	8,406
Mutual Funds				548,699	548,699
Mortgages, Notes & Other				325,523	325,523
Miscellaneous Other				179,664	179,664
Real Estate				484,666	484,666
Private Equity Investments				1,541,368	1,541,368
Bond Issue Trustee Accounts					
Investments held by Broker-Dealers					
Under Securities Loan Contracts:					
U.S. Government Obligations				97,916	97,916
Domestic & Foreign Bonds				968,876	968,876
Domestic Common & Pref. Stock				2,522,593	2,522,593
International Common Stock				103,269	103,269
Miscellaneous Alternative Investments				294,891	294,891
Collateral Held Under Securities Lending Program				<u>3,816,691</u>	<u>3,816,691</u>
Total Noncategorized Investments:					
Primary Government				<u>11,568,462</u>	<u>11,568,462</u>
Total Investments: Primary Government	<u>\$17,013,421</u>	<u>\$ 132,504</u>	<u>\$ 92,983</u>	<u>28,807,370</u>	<u>28,807,370</u>
Component Units					
Repurchase Agreements	107,434		4,721	112,155	112,155
U.S. Government Obligations	71,752	56,513	113,723	241,988	241,988
Common & Preferred Stock	29,065		389	29,454	29,454

# State of Louisiana

## Carrying Amount (Expressed in Thousands)

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Reported Amount</u>	<u>Fair Value</u>
Domestic & Foreign Bonds	1,812			1,812	1,812
Mortgages, Notes & Other	2,837		105,789	108,626	108,626
Miscellaneous Other	<u>2,826</u>	<u>378</u>	<u>850</u>	<u>4,054</u>	<u>4,054</u>
Total Component Units	<u>215,726</u>	<u>56,891</u>	<u>225,472</u>	<u>498,089</u>	<u>498,089</u>
Investments Not Categorized: Component Units:					
U.S. Government Obligations				129	129
Domestic and Foreign Bonds					
Mortgages, Notes & Other					
Mutual Funds				63,593	63,593
Miscellaneous Other				1,253	1,253
Real Estate				2,077	2,077
Bond Trustee Accounts				18,258	18,258
Investments Held in Private Foundations				<u>146,693</u>	<u>146,693</u>
Total Noncategorized Investments:					
Component Units				<u>232,003</u>	<u>232,003</u>
Total Investments:					
Component Units	<u>215,726</u>	<u>56,891</u>	<u>225,472</u>	<u>730,092</u>	<u>730,092</u>
TOTAL ALL INVESTMENTS	<u>\$17,229,147</u>	<u>\$189,395</u>	<u>\$318,455</u>	<u>\$29,537,462</u>	<u>\$29,537,462</u>

Management of the cash and investments held by the State Treasurer is independent of the automated accounting system of the state. The vast majority of the cash reported on the financial statements within all fund types is reported by the State Treasurer as investments for this note disclosure. In order to accurately compare the cash and investments shown on the accompanying financial statements with the carrying values of deposits and investments on the schedule above, the following is provided (amounts expressed in thousands):

Carrying value of cash per Note 2	\$ 2,669,364	
Carrying value of investments per Note 2	<u>29,537,462</u>	
		<u>\$ 32,206,826</u>
Cash per Financial Statements	\$ 5,259,689	
Investments per Financial Statements	26,186,627	
Restricted cash per Financial Statements	213,788	
Restricted Investments per Financial Statements	493,663	
Investments in other categories	<u>53,059</u>	
		<u>\$ 32,206,826</u>

## C. INVESTMENTS IN PRINCIPAL-ONLY STRIPS

At June 30, 2003, the State Treasurer held investments in principal-only strips which are held in the Transportation Trust Fund trustee debt service accounts for the purpose of making debt service payments on bonds. These investments consist of U.S. Treasury notes issued free of semi-annual interest payments, and are guaranteed a certain payment amount at a specific date in the future. Since the investor has the right to repayment of the principal at a future date for a deep discount to face value, these securities are not sensitive to fluctuations in interest rates. As of June 30, 2003, the State held \$16,372,000 in U.S. Treasury principal-only strips discounted at 99.636 percent of par value, which translates to a fair market value of \$16,312,406. The State is guaranteed 100 % of par value on these securities upon maturity.

## D. SECURITIES LENDING

The State Treasurer operated two separate securities lending programs during the 2003 fiscal year. One arrangement, authorized by LRS 49:327(c), entails the lending of its pooled assets comprising treasury and agency securities. In return for the lending transaction, the broker/dealer provides cash or securities of a similar nature and maturity to those lent valued at 102% of the

# State of Louisiana

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securities involved. The State agrees to hold as collateral securities for which it has no negotiation rights but for which it does have ownership. The State Treasurer has neither actual nor constructive receipt of the collateral. The State Treasurer has the right to receive or sell the collateral only upon a default of the borrower as defined in the contracts. The cash collateral is invested in an overnight investment pool of the safekeeping agent. Securities lent are not considered to have been sold nor have the securities received as collateral considered to have been purchased. The safekeeping agent has agreed to indemnify the State Treasurer for certain conditions, the two most important of which are default on the part of the borrower and failure to maintain the daily market to market on the pledged collateral. The State had no credit risk at the balance sheet date. No losses on securities lending transactions occurred during the 2003 fiscal year.

The Louisiana Education Quality Trust Fund (LEQTF) also participates in a securities lending program as authorized by LRS 17:3803(E)(1). In return, the State receives cash or securities as collateral equal to the market value plus interest of the securities lent or collateral of a similar type and maturity to those lent, collateralized at 102%. Securities purchased with cash collateral are included in an overnight repurchase investment pool, which is not categorized, and generally match loan maturities. The State Treasurer agrees to transfer lendable LEQTF securities (lendable securities are defined in the contract, but generally consist of treasury and agency fixed-income instruments) to the agent bank. The broker/dealer agrees to utilize securities as market opportunities arise, with the income from the transaction resulting in a split of 60/40, the 60% accruing directly to the LEQTF. The State Treasurer has the right to sell the pledged collateral only upon default of the borrower as defined in the contract. The securities lending agent has agreed to indemnify the State Treasurer as agent for the LEQTF for broker default and failure to maintain the market value on the collateral. LEQTF had no credit risk at the balance sheet date; nor were there any losses on securities lending transactions occurring in fiscal year 2002. At June 30, 2003, the value of securities on loan was \$2,074,286,601 for the Treasurer's pooled investments and \$34,837,800 for LEQTF.

The Teachers' Retirement System of Louisiana (TRSLA), the Louisiana State Police Retirement System (LASPRS), the Louisiana School Employees' Retirement System (LSERS), and the Louisiana State Employees' Retirement System (LASERS) are authorized by their respective boards of trustees to operate securities lending programs. These programs are designed to produce supplemental income on investments with little or no additional risk. All securities are available for loan to preapproved securities dealers. Securities dealers must meet specific criteria to

be approved. The TRSLA lends its securities for cash. The LASPRS, LSERS and LASERS lend their securities for cash, U.S. government securities, and irrevocable letters of credit. Collateral held under the programs, which may be reinvested by the systems under the terms of the agreement with the broker/ dealer, is recorded as an asset with a corresponding liability; otherwise, the collateral is not recorded on the Statement of Net Assets. Because the LASERS does not trade or sell the collateral received in its program, such collateral is not considered an asset of the System and a corresponding liability is not required on its Statement of Net Assets. The LASPRS, LSERS and LASERS cannot pledge or sell securities unless the borrower defaults.

The TRSLA lends domestic securities for cash collateral of 100% and international securities for cash collateral of 105%. The LASPRS, LSERS and LASERS lend U.S. securities for collateral valued at 102% of the market value of the securities plus any accrued interest. Non-U.S. securities are loaned for collateral valued at 105% of the market value of the securities plus any accrued interest.

Where LASPRS, TRSLA and LSERS loans are for term, the reinvestment of the cash is matched to the maturity of the loan. LASERS loans are terminable at will. Therefore, their duration will not generally match the duration of the investments made with cash collateral. At June 30, 2003, LASERS had no credit risk exposure to borrowers. Neither the LASPRS, TRSLA nor the LSERS had any credit risk exposure to borrowers at year end because the cash collateral held reflected the market value of securities on loan, and the amounts owed to borrowers exceeded amounts owed by borrowers. Securities loans of both systems may be terminated on demand by either party within a period specified in the related agreement. There were neither significant violations of legal or contractual provisions, nor borrower or lending agent default losses known to the securities lending agents of either system.

The LASPRS, LASERS and LSERS have indemnification agreements with their securities lending agents in case of borrower default.

Securities on loan at June 30, 2003 totaled \$518,963,206 for LASERS, \$7,886,677 for LASPRS, \$80,246,255 for TRSLA, and \$216,598,256 for LSERS.

## **E. INVESTMENTS IN DERIVATIVES**

As of June 30, 2003, LASERS, TRSLA, and LSERS held investments in various derivative financial instruments (derivatives) including interest-only strips, principal-only strips, collateralized mortgage obligations, options, forward contracts, and futures contracts.

# State of Louisiana

LASERS and TRSLA invest in interest-only strips and principal-only strips which are mortgage-backed securities that involve the separation of the interest and principal components of a security. These derivatives are held in part to maximize yields and in part to hedge against changes in interest rates. Interest-only strips are based on cash flows from interest payments on mortgages, whereas principal-only strips are based on cash flows from principal payments on mortgages. The return on these investments is related to changes in interest rates. Additionally,

LASERS and TRSLA invest in option and forward contracts which bear the risks of changes in market values, interest rates, and counterparties failing to meet the terms of the contracts. LASERS, TRSLA, and LSERS invest in futures contracts to maintain market exposure for excess cash or for security hedging. The risks associated with futures contracts are the potential for credit loss in the event of nonperformance by other parties to the contracts and market risk as a result of possible future changes in market prices.

## NOTE 3: ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE

Balances receivable and payable have been aggregated for presentation in the accompanying financial statements. Therefore, the following schedules provide additional detail information concerning balances receivable and payable by category and fund type.

### A. RECEIVABLES

Receivable balances at June 30, 2003, are as follows (expressed in thousands):

	Governmental Funds			
	General Fund	Bond Security and Redemption Fund	Nonmajor Funds	Total Governmental Funds
Corporate/Individual Tax	\$ -	\$ 270,480	\$ -	\$ 270,480
Excise Tax		30,633		30,633
Federal Revenues	101,924			101,924
Gaming		13,334		13,334
Mineral Resources		113,420		113,420
Motor Fuel Tax		6,134	15,998	22,132
Tobacco Products Tax		12,527		12,527
Sales Tax		244,618		244,618
Severance Tax		41,583		41,583
Other	11,353	172,882	22,276	206,511
<b>Total Receivables</b>	<b>113,277</b>	<b>905,611</b>	<b>38,274</b>	<b>1,057,162</b>
Allowance for Uncollectibles	-	(12,006)	-	(12,006)
<b>Receivables, Net</b>	<b>\$ 113,277</b>	<b>\$ 893,605</b>	<b>\$ 38,274</b>	<b>\$ 1,045,156</b>
 <b>Amounts Not Expected to be Collected Within One Year</b>	 \$ -	 \$ 136,856	 \$ -	 \$ 136,856



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	Proprietary Funds				Governmental Activities -
	Business-Type Activities - Enterprise Funds				
	Louisiana Lottery Corporation	Unemployment Trust Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Employer Contributions	\$	\$	\$	\$	\$
Gaming	12,319	67,234		67,234	
Other			6,218	6,218	7,063
<b>Total Receivables</b>	<b>12,319</b>	<b>67,234</b>	<b>6,218</b>	<b>85,771</b>	<b>7,063</b>
Allowance for Uncollectibles		(24,024)		(24,024)	
<b>Receivables, Net</b>	<b>\$ 12,319</b>	<b>\$ 43,210</b>	<b>\$ 6,218</b>	<b>\$ 61,747</b>	<b>\$ 7,063</b>
<b>Amounts Not Expected to be Collected Within One Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 35</b>	<b>\$ 35</b>	<b>\$ -</b>

## B. ACCOUNTS PAYABLE AND ACCRUALS

Accounts Payable and Accruals at June 30, 2003, are as follows (expressed in thousands):

Governmental Funds			
General Fund	Bond Security and Redemption Fund	Nonmajor Funds	Total Governmental Funds
Aid to Local Governments	\$ 33,937	\$	\$ 33,937
Disadvantaged Student Support	62,478		62,478
Engineering and Operations	13,416		13,416
Highway Operation and Maintenance		125,418	125,418
Inmate Housing	12,895		12,895
Job Training and Placement Programs	14,433		14,433
Medicaid	381,388		381,388
Personal Health	9,939		9,939
Public Assistance	54,381		54,381
School and Community Educational Support	37,643		37,643
School, Student, and Educator Performance	49,633		49,633
Third Parties	20,270		20,270
Other	193,305	12	195,593
<b>Total Accounts Payable and Accruals</b>	<b>\$ 883,718</b>	<b>\$ 12</b>	<b>\$ 1,011,424</b>

Proprietary Funds			
Business-Type Activities - Enterprise Funds			Governmental Activities
Louisiana Lottery Corporation	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Gaming	\$ 2,874	\$ 2,874	\$
Other	11,814	11,814	1,461
<b>Total Accounts Payable and Accruals</b>	<b>\$ 2,874</b>	<b>\$ 11,814</b>	<b>\$ 1,461</b>

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## NOTE 4: INTERFUND ACCOUNTS AND TRANSFERS

**A. RECEIVABLES AND PAYABLES** A summary of interfund receivables and payables at June 30, 2003 is shown below (expressed in thousands):

	<b>Primary Government</b>	
	<b><u>Due From</u></b>	<b><u>Due To</u></b>
<b>GOVERNMENTAL FUNDS:</b>		
General Fund	\$ 876,226	\$ 411,945
Bond Security and Redemption	363,182	941,426
Louisiana Educational Quality Trust		1,426
Medicaid Trust Fund for the Elderly	3,197	5,558
Nonmajor Funds	356,679	226,680
Total Governmental Funds	<u>1,599,284</u>	<u>1,587,035</u>
<b>PROPRIETARY FUNDS:</b>		
Louisiana Lottery Corporation		10,785
Nonmajor Funds	1,273	2,333
Internal Service Funds		404
Total Proprietary Funds	<u>1,273</u>	<u>13,522</u>
<b>GRAND TOTALS</b>	<b><u>\$ 1,600,557</u></b>	<b><u>\$ 1,600,557</u></b>

**B. TRANSFERS IN AND OUT** A summary of transfers in and out at June 30, 2003, is shown below (expressed in thousands):

	<b>Primary Government</b>	
	<b><u>Transfers In</u></b>	<b><u>Transfers Out</u></b>
<b>GOVERNMENTAL FUNDS:</b>		
General Fund	\$ 9,305,542	\$ 325,429
Bond Security and Redemption	137,366	9,373,927
Louisiana Educational Quality Trust	17,149	
Medicaid Trust Fund for the Elderly	218,770	149,540
Nonmajor Funds	3,058,262	2,779,597
Total Governmental Funds	<u>12,737,089</u>	<u>12,628,493</u>
<b>PROPRIETARY FUNDS:</b>		
Louisiana Lottery Corporation		110,840
Nonmajor Funds	3,145	901
Total Proprietary Funds	<u>3,145</u>	<u>111,741</u>
<b>GRAND TOTALS</b>	<b><u>\$ 12,740,234</u></b>	<b><u>\$ 12,740,234</u></b>

## C. DETAILS OF INTERFUND BALANCES AND TRANSFERS

Per the Louisiana Constitution, most State revenues are deposited into the Bond Security and Redemption Fund (BSRF). The major exception is federal revenues, which are deposited directly into the General Fund. The BSRF was designed to protect the bond holders, so general obligation debt is paid from the BSRF. This set up results in an extremely large number of transfers in and out of BSRF from and to a majority of the other funds, including the General Fund. At the end of the accrual period, a transfer is made to move the monies in BSRF to the General Fund. Louisiana is unique in the way its debt service fund operates and parts A and B of this note provide the total amounts flowing through the BSRF.

The General Fund receives a large number of transfers from statutorily dedicated (special) funds. Since the special funds do not report expenditures, monies warranted in these funds are reclassified as transfers to the General Fund and the General Fund reports all expenditures for the special funds. This reclassification of warrants along with the transfers reported in the BSRF account for the large volume of transfers from reported in the General Fund. Reviewing the interfund balances and transfers, all are due to the regular functions of government in the Louisiana environment and, in general, all interfund balances are paid within the statutorily required close period.

Below is a discussion of the larger, more significant interfund transfers of the nonmajor funds.

# State of Louisiana

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- Capital Outlay Escrow Fund – This fund was established in 1974 to provide for the capital outlay expenditures of the State as appropriated in the annual capital outlay appropriations act. Because of the volume of on-going and new construction, and routine maintenance and repairs that are included in the capital outlay appropriations act, the fund reported transfers in of \$884 million and transfers out of \$21 million.
  - Lottery Proceeds Fund — This fund was created in 1990 to receive the surplus revenues from the Louisiana Lottery Corporation. In fiscal year 2003, transfers in amounted to \$112 million and transfers out were \$125 million.
  - Louisiana Medical Assistance Trust Fund — This fund was established in 1992 to assist in the operation and maintenance of the Medicaid program in the state. In fiscal year 2003, transfers in amounted to \$108 million and transfers out were \$156 million.
  - Patient's Compensation Fund — Established in 1988, this fund is used to assist medical malpractice claimants and had transfers in of \$117 million and transfers out of \$79 million during fiscal year 2003.
  - Support Education in Louisiana First Fund – This fund was created in 2001 to increase salaries of public school teachers. During fiscal year 2003, this fund had transfers in of \$126 million.
  - Transportation Infrastructure Model for Economic Development (TIMED) — This fund was established in 1989 to be used exclusively for specific road and bridge projects with portions designated for the Port of New Orleans and the New Orleans International Airport. During fiscal year 2003, this fund had transfers in of \$64 million and transfers out totaled \$117 million.
  - Transportation Trust Fund – This fund, established in 1989, was created to receive the excess revenues on gasoline, motor fuels, and special fuels taxes. Purposes of the fund include highway construction and maintenance, statewide flood control, ports and airports priority programs, among others. In addition to direct revenues for fiscal year 2003, this fund was transferred nearly \$494 million and reported transfers out of \$1,001 million.
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# State of Louisiana

## NOTE 5: CAPITAL ASSETS

### A. PRIMARY GOVERNMENT (in thousands)

	Capital Assets July 1, 2002 *	Additions	Deletions	Capital Assets June 30, 2003
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,559,857	\$ 74,927	\$ 2,308	\$ 1,632,476
Construction in progress	76,790	65,403	58,463	83,730
Total capital assets not being depreciated	1,636,647	140,330	60,771	1,716,206
Other capital assets historical cost:				
Buildings and improvements	1,117,298	60,460	32,892	1,144,866
Machinery and equipment	583,752	85,741	50,461	619,032
Infrastructure	15,032,253	594,406	11,198	15,615,461
Total other capital assets historical cost	16,733,303	740,607	94,551	17,379,359
Less accumulated depreciation:				
Buildings and improvements	381,396	26,742	17,069	391,069
Machinery and equipment	433,264	81,544	50,404	464,404
Infrastructure	6,737,484	361,970	3,576	7,095,878
Total accumulated depreciation	7,552,144	470,256	71,049	7,951,351
Other capital assets, net of depreciation	9,181,159	270,351	23,502	9,428,008
Governmental activities capital assets, net	\$ 10,817,806	\$ 410,681	\$ 84,273	\$ 11,144,214
<b>Business-type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 6,299	\$ 301	\$ --	\$ 6,600
Construction in progress	51,296	35,011	7,117	79,190
Total capital assets not being depreciated	57,595	35,312	7,117	85,790
Other capital assets historical cost:				
Buildings and improvements	23,399	299	1,036	22,662
Machinery and equipment	28,222	3,076	3,797	27,501
Total other capital assets historical cost	51,621	3,375	4,833	50,163
Less accumulated depreciation:				
Buildings and improvements	13,114	462	693	12,883
Machinery and equipment	19,863	2,612	2,859	19,616
Total accumulated depreciation	32,977	3,074	3,552	32,499
Other capital assets, net of depreciation	18,644	301	1,281	17,664
Business-type activities capital assets, net	\$ 76,239	\$ 35,613	\$ 8,398	\$ 103,454

\* Restated beginning balances

# State of Louisiana

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	\$	44,377
Culture, recreation, and tourism		2,456
Transportation and development		376,939
Public safety		14,425
Health and welfare		8,511
Corrections		12,510
Conservation		6,236
Education		4,802
Total governmental activities depreciation expense	\$	<u>470,256</u>

## B. COMPONENT UNITS (in thousands)

	<b>Capital Assets</b>			<b>Capital Assets</b>
	<b>July 1, 2002</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30, 2003</b>
Capital assets not being depreciated:				
Land	\$ *235,204	\$ 5,646	\$ 3,739	\$ 237,111
Construction in progress	*205,064	147,225	84,091	268,198
Total capital assets not being depreciated	<u>*440,268</u>	<u>152,871</u>	<u>87,830</u>	<u>505,309</u>
Other capital assets historical cost:				
Buildings and improvements	*3,032,146	146,898	22,699	3,156,345
Machinery and equipment	*1,349,324	121,186	78,685	1,391,825
Infrastructure	*474,200	25,101	13,841	485,460
Total other capital assets historical cost	<u>4,855,670</u>	<u>293,185</u>	<u>115,225</u>	<u>5,033,630</u>
Less accumulated depreciation:				
Buildings and improvements	*1,524,484	83,094	27,113	1,580,465
Machinery and equipment	*1,037,333	95,658	69,234	1,063,757
Infrastructure	*182,055	9,885	258	191,682
Total accumulated depreciation	<u>2,743,872</u>	<u>188,637</u>	<u>96,605</u>	<u>2,835,904</u>
Other capital assets, net of depreciation	<u>2,111,798</u>	<u>104,548</u>	<u>18,620</u>	<u>2,197,726</u>
Component units capital assets, net	\$ <u><u>2,552,066</u></u>	\$ <u><u>257,419</u></u>	\$ <u><u>106,450</u></u>	\$ <u><u>2,703,035</u></u>

\* Restated beginning balances

## NOTE 6: EMPLOYEE BENEFITS

### A. RETIREMENT SYSTEMS

#### Background

The State of Louisiana maintains four defined benefit pension plans that are considered component units of the State and are included in the Comprehensive Annual Financial Report as a part of the primary government. Those plans are administered by four public employee retirement systems. The Louisiana State Employees' Retirement System (LASERS), established July 1, 1947, includes classified and unclassified employees of the State. The Teachers' Retirement System of Louisiana (TRSLA) was established August 1, 1936, for the benefit of public school teachers and, effective July 1, 1983, includes school lunch employees. TRSLA offers a defined contribution plan to a relatively small, select group of employees in higher education. The Louisiana School Employees' Retirement System (LSERS) was established on July 1, 1947 for persons employed as school bus drivers, school janitors, school custodians, and school maintenance employees. The Louisiana State Police Retirement System (LSPRS) was established by Act 293 of 1938. Its members include commissioned law enforcement officers of the Office of State Police and the Superintendent of the Office of State Police.

On November 21, 1987, the electorate of the State of Louisiana ratified a constitutional amendment by adding subsection (E) to Article 10, Section 29, mandating that the Legislature ensure the actuarial soundness of state and statewide retirement systems. In compliance with that amendment, the Legislature enacted LRS 11:1-127 in its 1988 regular session to consolidate public retirement law to satisfy the intent of the constitutional amendment. The result was a comprehensive list of actuarial criteria for the affected public employee retirement systems (PERS). LASERS and TRSLA are required to use the projected unit credit cost method in the determination of actuarially required contributions, whereas LSERS and LSPRS are required to use the entry age normal cost method for this determination.

Subsection 42B (4, 5, 10, and 11) provides for the amortization of the unfunded accrued liabilities of these PERS. The LSERS, LASERS, and TRSLA are provided for as follows:

The unfunded liability as of June 30, 1988, determined under the projected unit credit funding method "...shall be amortized over a forty year period, commencing with the fiscal year 1989-1990 with the series of forty annual payments forming an increasing annuity, increasing initially at 4% per annum for the first five years, with the percent of increase reduced one-half of one percent over each successive five year period, so

that the payments are increasing at the rate of one-half of one percent over the last five year period."

This section was amended in 1992 to require that the outstanding balance of the unfunded accrued liability as of June 30, 1992, "...shall be amortized over the remaining thirty-seven year period with payments forming an annuity at four and one half percent annually."

Subsection 42B also specifies that the unfunded accrued liability of the State Police Retirement System as of June 30, 1988, "...shall be amortized over a twenty year period, commencing with fiscal year 1989-1990, with level dollar payments annually."

LRS 11:62 and 11:102 specify employee contribution rates effective July 1, 1989, and enumerate in detail how the employer contribution rate will be calculated each year for each system. Included are provisions to add any underpayment or subtract any overpayment from the previous year to the calculation of the actuarially required employer contribution for each fiscal year as well as the employer's normal cost and that fiscal year's payment toward amortizing the system's June 30, 1988, unfunded accrued liability.

Readers requiring pension information not included in this report may request a copy of the separately issued financial reports by writing to each retirement system individually at the addresses listed in Note 1.

#### Plan Description

Louisiana State Employees' Retirement System. Although there are 350 contributing employers in this system, LASERS is considered a single employer plan because the material portion of its activity was with one employer - the State of Louisiana. The system was established and provided for within Title 11, Subtitle II, Chapter 1, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11:441-501.

Those employees considered eligible for membership in LASERS include all employees of the State except those specifically excluded by statute and are eligible immediately upon employment. Members are vested after 10 years of service.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age. Effective January 1, 1996, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable at a

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rate of 2.5% of the average of the highest three consecutive years of compensation, multiplied by the number of years of creditable service. Once an employee has accumulated 10 years of service, disability benefits apply based on the regular benefit formula without age restrictions.

Act 14 of the 1990 Louisiana Legislature provided for a new retirement option designated as the Deferred Retirement Option Plan (DROP). When members enter DROP, their status changes from active member to retiree even though they continue to work at their regular job and draw their regular salary for a period of up to three years. During the DROP participation period, the retiree's retirement benefits are paid into a special account. The election is irrevocable once participation begins. Interest, at a rate of one-half percent less than the system's realized return on its portfolio, will be credited after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. The DROP program was designed to have no actuarial effect on LASERS' unfunded liability. Current membership in the program is 2,768 members.

Teachers' Retirement System of Louisiana. The TRSLA is the administrator of a cost-sharing multiple employer plan. The system was established and provided for within Title 11, Subtitle II, Chapter 2, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11:761-813.

The word "plan" as used below does not carry the same definition as referred to in GASB Statements 25, 26, and 27. We maintain GASB's use of the word "plan" in this context to refer to individual benefit options. Those employees considered eligible for membership in TRSLA include teachers and eligible school lunch employees and are eligible immediately upon employment. Under the Teachers' Regular Plan, as amended by Act 1055 of 2001, members are vested after 5 years of service. A teacher member who becomes a member prior to July 1, 1999, is eligible to retire after at least 5 years of service at age 60, or after 20 years at any age, and will receive benefits based on a formula of 2%; a teacher member who retires with 25 years of service at age 55, 20 years at age 65, or 30 years at any age will receive benefits based on a formula of 2.5%. A teacher member who becomes a member on or after July 1, 1999, is eligible to retire after at least 5 years of service at age 60, or after 20 years at any age, and will receive benefits based on a formula of 2.5% with actuarially reduced benefits; a teacher member who retires with 25 years of service at age 55, or 30 years at any age will receive benefits based on a formula of 2.5%. In 1983 the Louisiana School Lunch Employees' Retirement System was merged into this system. The Louisiana School Lunch Employees' Retirement System contained two plans that were acquired by Teachers' Retirement: Plan A for members who are employed by the school system and are not covered by the Social Security

system, and Plan B for members who are employed by the school system and are covered by Social Security. Plan A members are eligible to receive benefits based on a 3% benefit formula after 5 years of service at age 60, 25 years at age 55, or after 30 years service at any age. A 2% benefit formula accrues to Plan B members after 5 years service at age 60 and after 30 years service at age 55.

The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. After an employee has accumulated five years of service, he becomes eligible for disability benefits based on the regular benefit formula without age restrictions if determined eligible by the medical board. The member must also be in active service at the time of filing the application for disability retirement. Otherwise, reduced benefits are available based on varying percentage formulas for each plan.

The Optional Retirement Plan (ORP) was created by LRS 11:921-931, to establish a defined contribution program for academic employees in higher education. Eligible members have the option of making an irrevocable election to participate in the ORP rather than the TRSLA and purchase annuity contracts for benefits payable at retirement. Monthly contributions based on percentages of salary are made by the employee and the employer to the companies who are selected as providers of the plan. ORP provides for portability of assets and full and immediate vesting of all contributions submitted to the participating companies on behalf of the employees. In accordance with LRS 11:927(B), the system retains 6.351% of the 13.1% ORP employer contributions to be applied to the unfunded accrued liability of the system. Thus, the amount transferred to the carrier is the employer's portion of the normal cost contribution, which has been determined by the Public Retirement Systems' Actuarial Committee to be 6.749%. The number of employers participating in the ORP program is currently 87. Current membership in the program is 17,183. The ORP program is not an obligation of the State or Teachers' Retirement System, and is therefore not included in the CAFR.

Members of TRSLA also have the option of participating in a three-year DROP program. Although Act 1055 of 2001 changes the vesting requirements, members must still have to have ten years of service credit to participate in DROP. The election is irrevocable once participation begins.

The Initial Lump-Sum Benefit (ILSB) became effective January 1, 1996. Under this program, a retiring member who had not participated in DROP could select an ILSB alternative. This alternative provides the retiree with a one-time payment of up to 36 months of a regular maximum monthly retirement benefit in addition to a reduced regular monthly retirement benefit for life.

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On January 1, 2000, TRSLA established the Excess Benefit Plan. This plan is an unfunded, non-qualified plan intended to be a qualified excess benefit arrangement. It is designed to pay excess benefits to those members who retire on July 1, 1988, or later. The excess benefit is the portion of the TRSLA benefit that exceeds the maximum benefit allowed under Section 415 of the Internal Revenue Code.

Louisiana School Employees' Retirement System. Although the LSERS is considered part of the State of Louisiana financial reporting entity, it is not a part of the State payroll. LSERS is the administrator of a cost-sharing, multiple-employer, defined-benefit pension plan. The system was established and provided for within Title 11, Subtitle II, Chapter 3, of the Louisiana Revised Statutes. LRS 11:1116 mandates that specified employees become members of the system as a condition of employment. Benefit provisions are authorized within LRS 11:1141-1153.

Membership is mandatory for all employees under age 60 employed by a Louisiana parish or city school board, who work more than 20 hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide. Members are vested after 10 years of service time.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. The maximum retirement benefit is an amount equal to  $3\frac{1}{3}\%$  of the average compensation for the 3 highest consecutive years of membership service, multiplied by the number of years of service limited to 100% of final average compensation, plus a supplementary allowance of \$2 per month for each year of service. The supplemental allowance was eliminated for members entering the Plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971. Once an employee has accumulated 5 years of service, disability benefits apply based on the normal benefit formula without age restrictions. Other benefits have resulted from legislative changes and include cost-of-living benefits.

Effective July 1, 1992, members of the LSERS may elect to participate in the Deferred Retirement Option Plan (DROP) and defer receipt of benefits. The election may be made one time only and duration is limited to three years. Monthly retirement benefits that would have been payable had the person elected to cease employment and receive a service retirement allowance will be paid into the plan and credited to a subaccount for that individual. All amounts that remain credited to the individual's subaccount shall be credited with

interest at the end of each plan year at a rate equal to the realized return of the system's portfolio for that plan year, less one-half of one percent. Upon termination of participation in both the plan and employment, a participant may receive either a lump sum payment for the account or systematic disbursement. All employers are eligible to participate in DROP. The number of employers currently having plan members participating in the DROP program is 69. As of June 30, 2003, there were 792 members participating in the program.

Effective January 1, 1996, the Legislature authorized the Plan to establish the Initial Benefit Retirement Plan (formerly called Option 5 program). IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in DROP. IBRP provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from the IBRP account are made in accordance with the DROP account, Louisiana Revised Statutes 11:1152(F)(3).

Louisiana State Police Retirement System. The LSPRS was established by Act 293 of 1938 and is the administrator of a single employer plan. Benefit provisions are authorized within LRS 11:1307-1322.

Those employees considered eligible for membership in LSPRS include commissioned law enforcement officers of the Office of State Police and the Superintendent of State Police, and are eligible immediately upon employment.

After 10 years of service at age 50, benefits are determined by multiplying the years of service credit by  $3\frac{1}{3}\%$  to compute a retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. For those plan members employed before September 8, 1978, with 20 years of service at any age, benefits are determined by multiplying the years of service by  $3\frac{1}{3}\%$  to compute retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. For those plan members employed on or after September 8, 1978, with 25 years of service at any age, benefits are determined by multiplying the years of service by  $3\frac{1}{3}\%$  to compute retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. The following Acts of the 2003 Regular Legislative Session affected LSPRS as described. Act 211 provided a retroactive (to January 1, 1999) benefit to a surviving spouse of less than two years of any member who died of terminal cancer diagnosed prior to April 1, 2003. As a result of Act 211, the actuarial accrued liability (AAL) increased by \$341,300. Act 538 provides a benefit of 100% of final average or \$36,000 annually, whichever is greater, for certain catastrophic



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disability retirees as of June 30, 2003. As a result of Act 538, the AAL will increase by \$1,479,267. Act 748 provides a 20% longevity bonus or benefits as provided by R.S. 11:1307.1, whichever is greater, for members who participated in DROP on or before June 30, 2003 and who continued in employment after DROP. As a result of Act 748, the AAL will increase by \$4,992,772. Disability benefits equal 50% of average salary plus one and one-half percent of average salary for each year in excess of 10 years. Disability benefits shall be modified whenever a non-service disability retiree is engaged in gainful employment. Non-duty disability rates vary depending on length of service, but begin after 5 years of service credit. Death benefits vary whether cause was in the line of duty and whether there is a surviving spouse and/or number of minor children. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement.

Any active member who is eligible to receive a service retirement is eligible to participate in the Deferred Retirement Option Plan (DROP) and defer receipt of benefits. The participation period shall not exceed 3 years. Upon termination of employment at the end of the DROP period, a participant may receive benefits in a lump sum payment, by a true annuity or in any other manner approved by the Board. Current membership in the program is 45 members.

A summary of government employers participating in the plans at June 30, 2003, is as follows:

		<b><u>Number of Employers</u></b>
<b><u>LASERS</u></b>	State Agencies	214
	Other Public Employers	<u>136</u>
	Total	<u>350</u>
<b><u>TRSLA</u></b>	School Boards	66
	Colleges and Universities	24
	State Agencies	54
	Charter Schools	11
	Other	<u>17</u>
	Total	<u>172</u>
<b><u>LSERS</u></b>	School Boards	67
	Other Agencies	<u>22</u>
	Total	<u>89</u>
<b><u>LSPRS</u></b>		<u>1</u>

## Summary of Significant Accounting Policies

All four systems use the accrual basis of accounting for operating income and operating expenses. Within this context, interest income is recognized when earned, as are employer and employee contributions. Dividends are recognized when declared. State fund appropriations are recognized when earned by LASERS, TRSLA, and LSPRS. LASERS, LSERS, and TRSLA use the trade date basis to record investment purchases and sales. In addition,

contributions are recognized in the period in which the amounts are due pursuant to formal commitments. Benefits and refunds are recognized when due and payable in accordance with the term of the plan.

As required by GASB 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosure for Defined Contribution Plans," investments are reported at fair value. Investments are reported as follows:

**LASERS.** Short-term investments are reported at market value when published prices are available, or at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Corporate bonds are valued based on yields currently available on comparable securities from issuers of similar credit ratings. Mortgage securities are valued on the basis of estimated future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Land, building, equipment, and furniture are carried at historical cost. Depreciation is computed using the straight-line method based on useful lives of 40 years for the building and 3 to 15 years for equipment and furniture.

Besides investments in the U.S. Government and U.S. Government obligations, LASERS has no investments in any one organization that represents more than 5% of the net assets available for benefits.

**TRSLA.** Fair value is based on the market value on the last business day of the fiscal year. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rate. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned on an accrual basis. Securities purchased pursuant to agreements to resell are carried at the contract price, exclusive of interest, at which the securities will be resold. Benefits and refunds are recognized when due and payable in accordance with the terms of the system.

Land, building, equipment, and furniture are carried at historical cost. The building and related land are jointly owned by Teachers' Retirement System of Louisiana and Louisiana State Employees' Retirement System. Depreciation is computed by the straight-line method based on useful lives of 40 years for the building and 3 to 10 years for equipment and furniture.

Besides investments in the U.S. Government and U.S. Government obligations, TRSLA has no investments of more

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than 5% of the portfolio invested in any one corporation nor does TRSLA hold more than 5% of any corporation's outstanding stock.

**LSERS.** Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Benefits and refunds paid are recognized when due and payable in accordance with the terms of the plan.

Land, building, equipment, and furniture are carried at historical cost. Depreciation is computed by the straight-line method based on useful lives of 40 years for the building and 3 to 10 years for equipment and furniture.

Besides investments in the U.S. Government and U.S. Government obligations, LSERS has no investments in any one organization that represents 5% or more of the net assets available for pension benefits. There are no investments in loans to or leases with parties related to the pension plan. The investment activity of LSERS is subject to an investment policy adopted by the Board of Trustees and to oversight by the Board of Trustees.

**LSPRS.** Investments are reported at fair value. Fair value is determined by the last reported sales price. Benefits and refunds paid are recognized when due and payable in accordance with the terms of the Plan.

Furniture, fixtures, and equipment are stated at cost and are being depreciated on the straight-line basis over their estimated useful lives. The estimated useful lives range from 3 to 10 years.

Besides investments in the U.S. Government and U.S. Government obligations, LSPRS has no investments representing more than 5% of the net assets available for benefits.

## Contributions

A system's funding policy refers to the amounts and timing of contributions to be made by employers, participants, and any other sources to provide the benefits a pension plan specifies. Employee and employer contributions for all systems are provided for in Chapter 2 of Title 11 of the Louisiana Revised Statutes. Each system is described separately in the following paragraphs.

**LASERS.** The vast majority of employees of the State contribute 7.5% of their salaries. Exceptions include judges, court officers, the governor, lieutenant governor, and legislators, who contribute 11.5% of their respective salaries; the Clerk of the House of Representatives, and the Secretary

of the Senate who contribute 9.5% of their salaries; certain Department of Corrections employees, who contribute 9.0%; and certain employees of the Department of Wildlife and Fisheries and Bridge Police employees, who contribute 8.5% of their salaries. The employers of each group listed contributed 14.1% of the employees' salaries toward future benefits for fiscal year 2003.

**TRSLA.** Contributions required of TRSLA members and their employers are based on the plan in which the employee participates. During the year ended June 30, 2003, members of the system's Regular Plan contributed 8.0% of their earned compensation, with the employer contributing 13.1%. Members of the TRSLA Plan A contributed 9.1% of their salary and the employer contributed 13.1%. Members of TRSLA Plan B contributed 5.0% of their compensation and the employer made a 13.1% contribution. The sources of employer contributions are appropriated state funds and tax proceeds collected in the parishes and remitted by the respective parishes' sheriff's office.

**LSERS.** Member contributions are established by statute and are currently 7.5% of earned compensation. Employer contributions, provided by the Board of Trustees, were increased to 11.2% for fiscal year 2003.

Act 278 of the 1999 regular session provided for the establishment of an Employer Credit Account consisting of the accumulated excess employer contributions that exceeded the actuarially required employer rate. The rate increase was paid from this account for participating School Boards which reduced the account balance from \$36.3 million to \$5.9 million as of June 30, 2003, which is available to offset future required employer contributions.

**LSPRS.** Member contributions are 8.0% of earned compensation and are deducted from the member's salary. The employer's contributions consist of various permits and fees collected by the Office of Motor Vehicle, and appropriations from the State.

As required by GASB Statement 27, paragraph 20b(3), the LSERS and the TRSLA, both cost-sharing employers, disclose the following information:

<u>Fiscal Year Ending</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
<b>LSERS</b>		
6/30/01	\$15,257,791	100.0%
6/30/02	\$15,616,982	100.0%
6/30/03	\$16,440,025	100.0%
<b>TRSLA</b>		
6/30/01	\$404,060,783	110.2%
6/30/02	\$421,195,131	104.9%
6/30/03	\$479,077,364	98.0%

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As required by GASB Statement 27, paragraph 21, the LASERS and LSPRS, both single employers, disclose the following information.

The state's annual pension cost and net pension obligation to LASERS and LSPRS for the current year are as follows:

	<b><u>LASERS</u></b>	<b><u>LSPRS</u></b>
Annual required contribution	\$ 326,335,197	\$ 24,411,521
Interest on net pension obligation	168,933	(971,899)
Adjustment to annual required contribution	2,268,608	4,832,844
<b>Annual pension cost</b>	<b>328,772,738</b>	<b>28,272,466</b>
Contributions made	(309,595,244)	(26,126,060)
Increase in net pension obligation	19,177,494	2,146,406
Net pension obligation beginning of year	2,047,670	(12,958,658)
<b>Net pension obligation end of year</b>	<b>\$ 21,225,164</b>	<b>\$ (10,812,252)</b>

In accordance with GASB 27, paragraph 21(b), the LASERS and LSPRS disclose the following:

<b><u>Fiscal Year Ending</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage Of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
<b><u>LASERS</u></b>			
6/30/01	\$260,125,807	100.0 %	\$(8,404,197)
6/30/02	\$281,791,315	96.3 %	\$2,047,670
6/30/03	\$328,772,738	94.1 %	\$21,225,164
<b><u>LSPRS</u></b>			
6/30/01	\$23,198,292	104.2 %	\$(11,079,317)
6/30/02	\$24,483,266	107.7 %	\$(12,958,661)
6/30/03	\$28,272,466	92.4 %	\$(10,812,252)

## Actuarial Methods and Assumptions

The following table provides information concerning actuarial methods and assumptions.

	<b><u>LASERS</u></b>	<b><u>TRSLA</u></b>	<b><u>LSERS</u></b>	<b><u>LSPRS</u></b>
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Entry Age	Entry Age
Amortization Method	Level Percentage of Projected Payroll	Level Percentage of Projected Payroll	Level Percentage of Projected Payroll	Level Dollar
Remaining Amortization Period (Open or Closed Period)	26 years Closed	26 years Closed	26 years Closed	6 years Closed
Asset Valuation Method	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average
Actuarial Assumptions:				
Investment Rate of Return*	8.25%	8.25%	7.5%	7.5%
Projected Salary Increases*	4.25 - 14%**	3.2 - 7.8%	4.5 - 8.0%	4.5 - 15%
Cost of Living Adjustment	None	None	None	None
*Includes inflation at:	3%	3%	3%	3%

\*\*The listed rates do not include those for judges, correction officers and wildlife agents.

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## Funding Status and Progress

Because the purpose of each system is to provide specific benefits to groups of employees at various times in the future, actuarial valuations and assumptions are made regularly. The most recent actuarial valuation for the four statewide retirement systems is as of June 30, 2003. The Schedule of Funding Progress for the six\* most recent actuarial valuations is as follows:

### Schedule of Funding Progress (Expressed in Thousands)

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<b><u>LASERS</u></b>						
Actuarial Valuation Date	6/30/03	6/30/02	6/30/01	6/30/00	6/30/99	6/30/98
Actuarial Value of Assets	\$6,487,538	\$6,460,594	\$6,418,296	\$6,170,978	\$5,574,958	\$5,067,795
Actuarial Accrued Liability	\$9,796,306	\$9,206,734	\$8,652,591	\$8,257,313	\$7,582,856	\$6,953,096
Unfunded AAL	\$3,308,738	\$2,746,140	\$2,234,295	\$2,086,335	\$2,007,898	\$1,885,301
Funded Ratio	66.2%	70.2%	74.2%	74.7%	73.5%	72.9%
Annual Covered Payroll	\$1,924,680	\$1,861,887	\$1,782,884	\$1,820,132	\$1,736,963	\$1,653,863
UAAL as a Percentage of Covered Payroll	171.9%	147.5%	125.3%	114.6%	115.6%	114.0%
<b><u>TRSLA</u></b>						
Actuarial Valuation Date	6/30/03	6/30/02	6/30/01	6/30/00	6/30/99	6/30/98
Actuarial Value of Assets	\$11,826,926	\$12,019,552	\$12,062,136	\$11,368,692	\$10,092,093	\$9,071,749
Actuarial Accrued Liability	\$17,173,256	\$16,263,239	\$15,390,417	\$14,596,441	\$13,913,416	\$13,185,190
Unfunded AAL	\$5,346,330	\$4,243,687	\$3,328,281	\$3,227,749	\$3,821,323	\$4,113,441
Funded Ratio	68.9%	73.9%	78.4%	77.9%	72.5%	68.8%
Annual Covered Payroll	\$2,977,885	\$2,777,667	\$2,582,831	\$2,563,634	\$2,569,479	\$2,485,058
UAAL as a Percentage of Covered Payroll	179.5%	152.8%	128.9%	125.9%	148.7%	165.5%
<b><u>LSERS</u></b>						
Actuarial Valuation Date	6/30/03	6/30/02	6/30/01	6/30/00	6/30/99	6/30/98
Actuarial Value of Assets	\$1,369,601	\$1,433,859	\$1,516,236	\$1,556,270	\$1,464,041	\$1,344,551
Actuarial Accrued Liability	\$1,730,796	\$1,582,071	\$1,472,423	\$1,291,823	\$1,213,230	\$1,142,253
Unfunded AAL	\$361,195	\$148,212	\$(43,814)	\$(264,447)	\$(250,811)	\$(202,298)
Funded Ratio	79.1%	90.6%	103.0%	120.5%	120.7%	117.7%
Annual Covered Payroll	\$268,656	\$258,876	\$249,674	\$241,128	\$236,001	\$225,734
UAAL as a Percentage of Covered Payroll	134.4%	57.3%	(17.5)%	(109.7)%	(106.3)%	(89.6)%
<b><u>LSPRS</u></b>						
Actuarial Valuation Date	6/30/03	6/30/02	6/30/01	6/30/00	6/30/99	6/30/98
Actuarial Value of Assets	\$271,062	\$271,694	\$261,576	\$244,015	\$216,954	\$188,904
Actuarial Accrued Liability	\$447,694	\$386,698	\$355,629	\$337,701	\$340,299	\$313,146
Unfunded AAL	\$176,631	\$115,004	\$94,053	\$93,686	\$123,345	\$124,242
Funded Ratio	60.6%	70.3%	73.6%	72.3%	63.8%	60.3%
Annual Covered Payroll	\$44,148	\$31,695	\$32,157	\$33,603	\$35,312	\$29,642
UAAL as a Percentage of Covered Payroll	400.1%	362.8%	292.5%	278.8%	349.3%	419.1%

(\* GASB 25, paragraph 34, requires only three years of valuations for single employer plans. We chose to show six years for all statewide retirement systems.)

Unfunded Actuarial Accrued Liability (UAAL) differs from the Unfunded Funding Actuarial Liability (UFAL) for funding purposes. UFAL for funding purposes excludes the Texaco Settlement Fund Assets. The UFAL reported for LASERS, TRSLA and LSPRS on June 30, 2003 are \$3,333,456,048, \$5,508,361,849 and \$215,708,893 respectively. The UFAL dollar amount for FY 2003 is the same amount as the UAAL for LASERS.

The Actuarial Value of Assets reported for LASERS and TRSLA on June 30, 2003 do not include accumulated deficits of \$634,512,981 and 1,088,630,751 respectively in their Experience Accounts. TRSLA also has a deficit in the LSU Agriculture and Extension Service Fund of \$180,974 which is not included. These negative Experience Account balances present serious funding issues. Considering these deficits would reduce LASER' funded ratio to 59.5% and TRSLA's to 62.5%. The Experience account can be used only to fund retiree cost-of-living raises. The Actuarial Value of Assets reported for LSERS on June 30, 2003, does not include the \$5,906,266 that has accumulated in the Employer Credit Account. The Employer Credit account, which is fully funded, can be used to offset future required employer contributions.

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## **B. LOUISIANA LOTTERY CORPORATION RETIREMENT PLANS**

Pursuant to LRS 47:9015, the Louisiana Lottery Corporation provides two defined contribution retirement plans for its employees.

### **1. Basic Retirement**

The Basic Retirement Plan was established effective September 1, 1993, with all employees eligible except those who elect coverage under a State retirement plan and those who are either independent contractors or leased employees. Eligible employees may participate in the Plan immediately upon employment. Employer contributions for fiscal year 2003 were 5% of the participant's compensation. Employee contributions were 6.2% of their compensation. Participants are fully vested immediately. Plan assets do not revert for the benefit of the employer. Benefit distributions commence as of the date designated by the participant (annuity starting date) after termination of employment, but not later than April 1st of the year following the calendar year in which the participant attains age seventy and one half. The participant must make a qualified election to receive the distribution in the form of a single-sum payment or in the form of a qualified joint and survivor annuity or single life annuity contract. Employee and employer contributions for fiscal year 2003 were \$297,770 and \$240,138, respectively.

### **2. Supplemental Retirement**

Substantially all full-time employees are eligible to participate in the Supplemental Retirement Plan. The Louisiana Lottery Corporation contributed 4.5% of each participant's compensation for fiscal year 2003. Generally, participants are not permitted to contribute to the Plan; however, participants may contribute proceeds from a qualified rollover distribution as allowed by IRS Section 402. Effective July 1, 1991, all eligible employees employed by the Corporation on or before that date participate in the Plan. Effective for the January 1, 1992, entry date, all eligible employees employed prior to such date automatically participate in the Plan as of that date. Thereafter, an eligible employee participates in the Plan as of the entry date that coincides with or immediately follows the date on which the eligible employee completes 90 consecutive calendar days of employment with the Corporation. Each plan year, the board of directors of the Corporation may determine the amount of a discretionary contribution not to exceed 2% of each participant's compensation for any plan year. Plan participants are fully vested and amounts are nonforfeitable upon the participant's death, disability, or attainment of the normal

retirement date or upon the completion of three years of service. Any forfeiture of nonvested amounts is reallocated to the accounts of all the remaining participants. Plan assets do not revert for the benefit of the employer. The distribution of a participant's vested and nonforfeitable portion of his or her account is made in the form of a single-sum payment after the participant terminates employment with the employer, attains the normal retirement age (65 years of age), or dies. Employer contributions for fiscal year 2003 were \$202,179.

## **C. OTHER POSTEMPLOYMENT BENEFITS**

### **Health Care and Life Insurance Benefits**

In accordance with LRS 42:821-880, the State provides health care and life insurance benefits to its active and retired employees and their eligible dependents through either self-insured and self-funded Office of Group Benefits (OGB) programs or, in the case of certain boards and commissions, through private insurance companies. All benefits and premium structures are reviewed by the OGB Policy and Planning Board. A written recommendation from this Board is forwarded to the House Appropriations Committee and Senate Finance Committee for oversight. The Office of Group Benefits provides health care and life insurance to substantially all employees of the State, employees of school boards of 43 out of the 66 school systems, and employees of eligible political subdivisions of the State. The health care insurance or HMO coverage for both active and retired employees is financed by contributions from the State and the participating employee. Life insurance for the individual employee is financed by equal contributions from the State and the employee; insurance for eligible dependents and voluntary optional life products are funded totally through employees' contributions. Upon retirement, substantially all employees become eligible for continuing health care and life insurance benefits if they reach normal retirement age while working for the State. Other post-employment benefits (OPEB) administered through the OGB are financed on a pay-as-you-go basis. Expenses are recognized by the OGB as retirees report claims and include provisions for health claims reported but unpaid, and health claims incurred but unreported. Computed under the requirements of GASB Statement 12 as reported by state agencies, the cost to the State of providing insurance benefits to retirees and their eligible dependents for the year ended June 30, 2003, was \$127,368,509 and the number of retirees meeting eligibility requirements was 29,851. Actual claims expense incurred by the OGB for other postemployment benefits cannot readily be separated from the expenses of similar types of benefits provided to active employees and their dependents.

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## NOTE 7: LEASES

### A. LEASE AGREEMENTS

The State of Louisiana has entered into numerous operating and capital lease agreements for equipment, land, and buildings. Most leases contain non-appropriation exculpatory clauses that allow lease cancellation if the Louisiana Legislature does not make an appropriation for its continuation during any future fiscal period. Because legislative appropriation is reasonably assured, all leases contracted by the state are included in subsequent schedules.

### B. OPERATING LEASES

Operating lease payments are recorded as expenditures or expenses of the applicable fund when the related liability is incurred and totaled \$69,819,633 (component units totaled \$18,245,101) for the fiscal year ended June 30, 2003. Commitments of the primary government under operating lease agreements for equipment, land, and buildings provide for future annual rental payments as follows (expressed in thousands):

<u>Fiscal Year</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2004	\$ 43,098	\$ 2,635	\$ 366	\$ 481	\$ 46,580
2005	33,849	777	353	221	35,200
2006	26,403	714	340	175	27,632
2007	20,185	661	327	129	21,302
2008	11,790	655	327	118	12,890
2009-2013	24,728	687	388	100	25,903
Total	<u>\$ 160,053</u>	<u>\$ 6,129</u>	<u>\$ 2,101</u>	<u>\$ 1,224</u>	<u>\$ 169,507</u>

Operating leases for component units are as follows (expressed in thousands):

Office space - \$51,185; Equipment - \$13,533; Land - \$532; and Other - \$14,057 for a total of \$79,307.

### C. CAPITAL LEASES AND INSTALLMENT PURCHASE AGREEMENTS

Capital lease obligations are payable from resources of the governmental and proprietary funds. The following is a schedule of future minimum payments remaining under contracts in existence at June 30, 2003 (expressed in thousands):

<u>Fiscal Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Component Units</u>
2004	\$ 14,632	\$ 67	\$ 12,401
2005	11,962	56	10,200
2006	7,646	21	9,907
2007	6,532		9,526
2008	5,551		4,532
2009-2013	23,646		12,659
2014-2018	21,928		13,457
2019-2023	3,212		3,686
Subtotal	<u>95,109</u>	<u>144</u>	<u>76,368</u>
Less interest and executory costs	<u>25,197</u>	<u>4</u>	<u>18,761</u>
Present value of minimum lease payments	<u>\$ 69,912</u>	<u>\$ 140</u>	<u>\$ 57,607</u>

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Total capital leases by asset classes include the following (expressed in thousands):

	Governmental Activities	Business- Type Activities	Component Units
Buildings	\$ 71,661	\$	\$
Office Space	420		8,359
Equipment	22,505	144	68,009
Land	523		
Total Capital Leases	\$ <u>95,109</u>	\$ <u>144</u>	\$ <u>76,368</u>

## D. LESSOR LEASES

Various property and facilities are leased to outside parties as leases from port authorities, levee districts, universities, and various other entities. The current amount of lease revenues for the primary government for the fiscal year ending June 30, 2003, is \$4,562,802 (component units \$16,386,186). The following is a schedule by years of minimum future rentals on leases as of June 30, 2003 (expressed in thousands):

Fiscal Year	Governmental Activities	Business- Type Activities	Component Units
2004	\$ 2	\$ 3,431	\$ 18,062
2005	2	2,547	14,542
2006	2	2,522	13,042
2007	2	2,540	12,436
2008	2	2,467	12,095
2009-2013	1	6,850	7,378
Total	\$ <u>11</u>	\$ <u>20,357</u>	\$ <u>77,555</u>

The value of the property carried on the financial reports for the entities included above (expressed in thousands) is \$40,755 for land; \$462,254 for buildings; \$2,402 for equipment; \$877 for vehicles; and \$81,071 for other; accumulated depreciation on the buildings and other totaled \$271,915.

## NOTE 8: LONG-TERM OBLIGATIONS

### A. DEBT AUTHORIZATION AND LIMITATIONS

The Louisiana Constitution of 1974 provides that the State shall have no power, directly or indirectly, through any board, agency, commission, or otherwise, to incur debt or issue bonds except by law enacted by two-thirds of the elected members of each house of the Legislature. LRS 39:1365(25) limits the legislative authorization of general obligation bonds and other general obligations secured by the full faith and credit of the State by prohibiting total authorized bonds from exceeding an amount equal to two times the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years prior to such authorization. The bond authorization limitation is \$20,458,126,000. The total general obligation bonds

authorized are \$2,010,977,000 at June 30, 2003, or 9.83% of the bond authorization limit.

LRS 39:1402(D) limits issuance by the Louisiana State Bond Commission of general obligation bonds or other general obligations secured by the full faith and credit of the State. The highest annual debt service requirement for the current or any subsequent fiscal years for general obligation debt, including the debt service on any bonds or other obligations that are proposed to be sold by the Louisiana State Bond Commission, may not exceed 10% of the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years completed prior to the issuance being proposed. The general obligation debt issuance limitation is \$1,022,906,000. At June 30, 2003, the highest current or future annual general obligation debt service requirement is

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\$268,395,000, which represents 26.24% of the debt issuance limitation.

LRS 39:1367, enacted pursuant to a constitutional amendment, provides that the State Bond Commission establish annually a limit on the net State tax-supported debt issued subject to certain percentages established in the statutes and based on General Fund and dedicated funds revenues forecast by the Revenue Estimating Conference. The maximum amount of net State tax-supported debt allowed by statute for fiscal year 2002-2003 is 6.50% of estimated General Fund and dedicated funds revenues established by the Revenue Estimating Conference. During the fiscal year 2002-2003, the total net State tax-supported debt paid was \$479,908,872 or 6.13% of the estimated General Fund and dedicated funds to revenues established by the Revenue Estimating Conference.

## B. AUTHORIZED BUT UNISSUED DEBT

The Omnibus Bond Authorization Act of 2003 provides for the repeal of all acts, except any Act authorizing issuance of refunding bonds for the issuance of general obligation bond authorizations which are no longer found feasible or desirable, and to reauthorize general obligation bonds for projects deemed to be essential, and to authorize new projects. As a result, there were no authorized but unissued bonds outstanding at June 30, 2003.

## C. PURPOSE AND RETIREMENT OF GENERAL OBLIGATION BONDS

General obligation bonds are authorized and issued primarily to provide funds for constructing and improving State-owned facilities including ports, university facilities, public schools, parks, bridges, roads, and charity hospitals. General obligation bonds are backed by the full faith, credit, and taxing power of the State. Although certain general obligation debt is being retired from the resources of the enterprise funds and discretely presented component units and is therefore recorded in these funds, the State remains contingently liable for its

payment. General obligation debt issued to finance the construction and equipping of education buildings and other facilities for colleges and universities and not secured by a pledge of revenues from the related facilities is a direct obligation of the State and is reported in the government-wide statements. Other general obligation debt of the college and university funds, which is being retired from pledged resources of those funds, is reported as a liability of the component units although the State remains contingently liable for its retirement.

In order to facilitate the funding of capital improvements by certain governmental units and political subdivisions of the State, the Omnibus Bond Authorization Act of 2003 authorized the issuance of general obligation bonds contingent upon executing a reimbursement contract with the State Bond Commission pertaining to the reimbursement payments and reimbursement reserve account payments for such projects. A reimbursement contract is a contract between the State, as bond issuer, and an entity, through which the entity receives a portion of bond money for its project. The entity repays or reimburses the State at the same interest rate and the same maturity dates as the bond issue. Entities utilize reimbursement contracts to attempt to obtain a better interest rate.

Reimbursement contracts include colleges and universities in the amount of \$2,763,771, Police Juries in the amount of \$3,306, and miscellaneous in the amount of \$3,771,512. Applicable interest to maturity is \$729,028, \$648, and \$1,427,875, respectively. In the accompanying financial statements, reimbursement contracts are shown as accounts receivable and the debt shown is not reduced for these items. In addition, the Sabine River Authority (Sabine), a component unit, was the recipient of \$10 million in proceeds of General Obligation Issue 1975-B. Sabine pledged to designate its annual surplus derived from the operations of the diversion canal project to the repayment of this debt. To date, \$9.3 million, including interest, remains to be paid to the State by Sabine and it is reported in the financial statements.

## D. LONG-TERM OBLIGATIONS OUTSTANDING AT JUNE 30, 2003

Long-term obligations outstanding at June 30, 2003, principal only, are as follow (expressed in thousands):

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
<b>GOVERNMENTAL ACTIVITIES:</b>						
<b>General obligation bonds payable</b>	\$ 2,000,590	\$ 290,790	\$ 280,403	\$ 2,010,977	\$ 164,187	2.25 – 7.75%
<b>Other bonds payable by agency:</b>						
Crescent City Connection	22,665	19,900	22,665	19,900	1,810	2.00 – 3.65%



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	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
Health Education Authority of Louisiana	9,205	--	150	9,055	195	5.70 – 8.30%
Louisiana Correctional Facilities Corporation	33,925	38,530	38,705	33,750	4,410	3.00 – 4.96%
Office Facilities Corporation	156,830	--	6,775	150,055	7,100	4.00 – 5.50%
Public Safety LPFA	94,500	--	3,000	91,500	3,575	4.25 – 5.88%
Parish Road Fund	1,900	--	1,900	--	--	--
Transportation Infrastructure Model for Economic Development	63,325	275,000	34,505	303,820	4,790	3.00 – 5.37%
<b>Total Other Bonds Payable by agency*</b>	<u>382,350</u>	<u>333,430</u>	<u>107,700</u>	<u>608,080</u>	<u>21,880</u>	
<b>Total bonded debt</b>	<u>2,382,940</u>	<u>624,220</u>	<u>388,103</u>	<u>2,619,057</u>	<u>186,067</u>	
<b>Other liabilities:</b>						
Compensated absences	170,941	84,281	70,524	184,698	9,613	--
Capital lease obligations	84,627	3,646	18,361	69,912	14,632	--
Claims and judgments	1,907,167	256,667	53,800	2,110,034	78,320	--
Other long-term liabilities	7,847	7,317	2,598	12,566	1,163	--
Total other liabilities	<u>2,170,582</u>	<u>351,911</u>	<u>145,283</u>	<u>2,377,210</u>	<u>103,728</u>	
<b>Total long-term obligations</b>						
<b>Governmental Activities*</b>	<u>\$ 4,553,522</u>	<u>\$ 976,131</u>	<u>\$ 533,386</u>	<u>\$ 4,996,267</u>	<u>\$ 289,795</u>	

\*restated

## BUSINESS-TYPE ACTIVITIES:

### **Bonds payable:**

Revenue bonds	\$ 103,505	\$ --	\$ 820	\$ 102,685	\$ 9,085	4.20 – 6.85%
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### **Other liabilities:**

Compensated absences	1,760	425	105	2,080	589	--
Capital lease obligations*	192	248	300	140	102	--
Notes payable*	1	22	1	22	1	variable
Other long-term liabilities	166,184	34,661	6,996	193,849	37,375	--
Total other liabilities	<u>168,137</u>	<u>35,356</u>	<u>7,402</u>	<u>196,091</u>	<u>38,067</u>	

### **Total long-term obligations**

<b>Business-Type Activities</b>	<u>\$ 271,642</u>	<u>\$ 35,356</u>	<u>\$ 8,222</u>	<u>\$ 298,776</u>	<u>\$ 47,152</u>	
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\*restated

## COMPONENT UNITS:

### **Bonds payable:**

Revenue bonds*	\$ 1,806,108	\$ 236,570	\$ 139,187	\$ 1,903,491	\$ 35,877	2.10 – 13.0%
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### **Other liabilities:**

Compensated absences	169,579	35,048	24,598	180,029	14,795	--
Capital lease obligations*	43,360	18,061	3,814	57,607	9,731	--
Notes payable*	121,821	7,657	75,081	54,397	11,676	--
Other long-term liabilities	32,251	7,122	12,260	27,113	705	--
Total other liabilities	<u>367,011</u>	<u>67,888</u>	<u>115,753</u>	<u>319,146</u>	<u>36,907</u>	

### **Total long-term obligations**

<b>Component units</b>	<u>\$ 2,173,119</u>	<u>\$ 304,458</u>	<u>\$ 254,940</u>	<u>\$ 2,222,637</u>	<u>\$ 72,784</u>	
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\*restated

# State of Louisiana

## E. DEBT SERVICE REQUIREMENTS AT JUNE 30, 2003

Annual principal and interest payments for bonds and notes (expressed in thousands) are as follow:

Governmental Activities									
Year:	General Obligation Bonds			Other Bonded Debt			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Total Principal	Total Interest	Total
2004	\$ 164,187	\$ 105,484	\$ 269,671	\$ 21,880	\$ 22,299	\$ 44,179	\$ 186,067	\$ 127,783	\$ 313,850
2005	159,090	106,760	265,850	55,080	27,925	83,005	214,170	134,685	348,855
2006	131,005	87,124	218,129	23,700	26,212	49,912	154,705	113,336	268,041
2007	123,700	80,531	204,231	24,680	25,180	49,860	148,380	105,711	254,091
2008	116,920	73,773	190,693	25,795	24,114	49,909	142,715	97,887	240,602
2009-13	621,140	270,109	891,249	120,975	102,555	223,530	742,115	372,664	1,114,779
2014-18	450,585	121,633	572,218	122,095	73,251	195,346	572,680	194,884	767,564
2019-23	244,350	28,922	273,272	82,875	43,022	125,897	327,225	71,944	399,169
2024-28	--	--	--	65,895	26,717	92,612	65,895	26,717	92,612
2029-33	--	--	--	65,105	8,377	73,482	65,105	8,377	73,482
<b>Total</b>	<b>\$ 2,010,977</b>	<b>\$ 874,336</b>	<b>\$ 2,885,313</b>	<b>\$ 608,080</b>	<b>\$ 379,652</b>	<b>\$ 987,732</b>	<b>\$ 2,619,057</b>	<b>\$ 1,253,988</b>	<b>\$ 3,873,045</b>

Business-Type Activities				Component Units			
Year:	Revenue Bonds			Revenue Bonds			
	Principal	Interest	Total	Principal	Interest	Total	
2004	\$ 3,710	\$ 5,026	\$ 8,736	\$ 61,377	\$ 102,659	\$ 164,036	
2005	8,845	4,768	13,613	56,059	102,965	159,024	
2006	4,010	4,505	8,515	61,134	99,799	160,933	
2007	4,395	4,366	8,761	64,536	96,351	160,887	
2008	4,210	4,156	8,366	84,556	92,664	177,220	
2009-13	23,985	17,851	41,836	516,753	394,613	911,366	
2014-18	30,805	10,982	41,787	643,877	224,037	867,914	
2019-23	22,725	2,338	25,063	244,119	68,882	313,001	
2024-28	--	--	--	126,961	28,256	155,217	
2029-33	--	--	--	43,555	6,031	49,586	
2034	--	--	--	564	46	611	
<b>Total</b>	<b>\$ 102,685</b>	<b>\$ 53,992</b>	<b>\$ 156,677</b>	<b>\$ 1,903,491</b>	<b>\$ 1,216,304</b>	<b>\$ 3,119,795</b>	

Primary Government - BTA				Component Units			
Year:	Notes Payable			Notes Payable			
	Principal	Interest	Total	Principal	Interest	Total	
2004	\$ 1	\$ *	\$ 1	\$ 11,676	\$ 2,002	\$ 13,678	
2005	21	*	21	19,617	1,778	21,395	
2006	--	--	--	3,931	1,532	5,463	
2007	--	--	--	3,652	1,286	4,938	
2008	--	--	--	9,360	1,553	10,913	
2009-23	--	--	--	6,161	2,160	8,321	
	<b>\$ 22</b>	<b>\$ --</b>	<b>\$ 22</b>	<b>\$ 54,397</b>	<b>\$ 10,311</b>	<b>\$ 64,708</b>	

\* To be determined

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## F. DEFEASED BONDS

The following table enumerates the principal balances of previously outstanding bonds considered defeased at June 30, 2003 (expressed in thousands). The defeased bonds are not included in the accompanying financial statements.

<u>Bond Series</u>	<u>Date Defeased</u>	<u>Maturity Date</u>	<u>Amount Defeased</u>	<u>Outstanding at June 30, 2003</u>
<b>Primary Government:</b>				
1981-A	2/87	Various	\$ 60,085	\$ 690
1981-B	2/87	Various	37,580	1,500
1983-A	2/87	3/03	101,180	-0-
1983-B	2/87	4/03	89,880	-0-
1983-C	2/87	6/03	68,240	-0-
1983-D	2/87	Various	70,450	10,075
1984-A	2/87	Various	84,215	11,830
1985-A	2/87	Various	124,300	34,500
1985-B	2/87	Various	113,980	31,005
1985-C	2/87	Various	127,690	50,365
1980-A	2/93	Various	43,570	125
1980-C	2/93	Various	70,725	750
1986-A	2/93	Various	94,620	36,490
1987-A	2/93	8/05	48,709	48,709
1987-B	2/93	Various	95,145	43,630
1990	2/93	Various	89,855	89,855
1990	5/96	9/04	11,610	11,610
1987-A	5/96	Various	347,005	21,720
1979-B	5/96	Various	19,170	100
1987-A	5/98	8/04	51,745	51,745
1978-C	5/98	Various	165	45
1990	5/98	Various	30,395	10,835
1992-A	5/98	Various	135,255	135,255
1994-A	5/98	Various	108,245	108,245
Louisiana Correctional Facilities Corporation	2/93	Various	132,460	16,795
Transportation Trust Fund	5/99	Various	92,235	63,615
<b>Partially Defeased Bonds:</b>				
1992-A	6/02	5/03	11,000	-0-
1994-A	6/02	5/03	2,305	-0-
1995-A	6/02	5/03	8,320	-0-
2001-A	6/02	5/03	405	-0-
1994-A	6/03	Various	16,540	16,540
1995-A	6/03	Various	28,210	28,210
1997-A	6/03	4/04	8,960	8,960
1998-B	6/03	4/04	3,150	3,150
2001-A	6/03	Various	10,750	10,750
2003-A	6/03	Various	21,100	21,100
<b>Component Units:</b>				
Louisiana Stadium and Exposition District:				
1994-A	12/98	Various	\$ 48,475	\$ 48,435
1995-A	12/98	7/24	10,500	10,500
1995-B	12/98	7/25	12,140	12,120
1996-A	12/98	Various	63,095	62,790
Greater New Orleans Expressway Commission	11/92	Various	54,920	53,680

## G. 2003 DEFEASANCE BOND PAYMENTS

On June 23, 2003, the State Bond Commission authorized defeasement of certain General Obligation Bond principal payments, which are due in fiscal years 2003-04, \$41,385,000; 2004-05, \$27,485,000; and 2005-06, \$19,840,000 using the General Fund Undesignated Fund Balance from fiscal year 2001-02 and a portion of the Mineral Audit Settlement Fund. The action was taken because of the provisions of Article VII, Section 10 (D)(2)(a) of the State Constitution to produce savings from the advance repayment of debt. The cost of securities, escrow, including accrued interest on the securities purchased, totaled \$95,394,807. The resulting cash flows will allow for the defeasement of \$88,710,000 in bond principal and \$8,463,952 in interest payments on that principal due in fiscal years as follows: 2003-04, \$46,401,482; 2004-05, \$29,997,370; 2005-06, \$20,775,100. The contribution to fund the Escrow Account will reduce the required debt service payment obligation by a like amount during fiscal years 2003-06. The bonds are considered fully defeased as of June 23, 2003, at which time the liability for that portion of the bonds was removed from the Long-term Obligations on the Statement of Net Assets.

## NOTE 9: CONTINGENCIES

### A. CLAIMS AND LIABILITIES HANDLED BY THE OFFICE OF RISK MANAGEMENT

Pursuant to Act 448 of the 1988 Regular Session of the Louisiana Legislature, R.S. 39:1533 was re-enacted to create the "Self-Insurance Fund" within the Department of the Treasury. The Self-Insurance Fund consists of all premiums paid by agencies of the State participating in the risk management program, the investment earnings thereon, and commissions retained. The Self-Insurance Fund can be used only for the payment of losses incurred by participants of the self-insurance program, together with insurance premiums, legal expenses, and administrative costs. The Office of Risk Management is responsible for administration of the risk management program of the State. In that capacity, they negotiate, compromise, and settle all claims, including all tort claims, against the State and all agencies participating in the Self-Insurance Fund, as well as all tort claims against agencies not covered by the Self-Insurance Fund when funding is provided by the Legislature through the General Fund of the State. Because the Self-Insurance Fund is now in a deficit and is no longer a viable internal service fund, discounts are not applicable under Governmental Accounting Standards Board (GASB) Statement No. 10.

### H. CONDUIT DEBT

Revenue bonds were issued by the Louisiana Agricultural Finance Authority (LAFA), a component unit, which constituted conduit debt outstanding at year-end totaling \$94,266,547. Of this amount, \$94,196,962 is currently in default. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

Revenue bonds were issued by the Louisiana Public Facilities Authority (LPFA), a component unit, which constituted conduit debt outstanding at year-end totaling \$3,221,885,144. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

### I. OTHER GENERAL LONG-TERM OBLIGATIONS

The liability for compensated absences is described in more detail in Note 1 Section C; the liability for capital leases is described in more detail in Note 7; the liability for claims and litigation is described in more detail in Notes 9 and 11.

To satisfy claims, judgments, and expenses associated with the judgments for fiscal year 2002-2003, \$108,999,720 was paid from the Self-Insurance Fund. At June 30, 2003, outstanding non-discounted reserve valuations of the open claims within the programs total \$1,089,947,573. As of June 30, 2003, there was an adjusted cash balance in the Self-Insurance Fund of \$15,711,963. The Office of Risk Management advises that the non-discounted liability reserve valuation for the claims in litigation being handled by that office is \$624,606,519 as of June 30, 2003.

### B. CLAIMS AND LIABILITIES HANDLED OUTSIDE OF THE OFFICE OF RISK MANAGEMENT

The Attorney General has opined that only a small portion of the dollar amount of potential liability to the State resulting from pending litigation not being handled through the Office of Risk Management will ultimately be recovered by plaintiffs. It is his opinion that the estimated future liability for existing claims against the State is between \$156,628,624 (accrued on the accompanying financial statements) and \$176,629,124.

In September 1993, the Louisiana Supreme Court invalidated, on constitutional grounds, R.S. 13:5106, limiting the liability of the State for general damages to a maximum of \$500,000. Following the same reasoning, in January 1994, the Supreme Court invalidated R.S.

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13:5112(C), limiting the liability of the State for pre-judgment interest to 6%. Subsequently, the voters approved a constitutional amendment curing the defect found by the Supreme Court in the two cases. This amendment, along with the re-enactment of the two cited statutes, as well as several other statutes intended to protect the State in tort claims, became effective in November 1995. The efforts of the State to have the amendment and the legislation made applicable to then pending claims to limit recovery in accordance with the statutes were unsuccessful. Consequently, any case pending in September 1993 will have no upper limit on general damages, any case pending in January 1994 will not be subject to 6% interest pre-judgment, and any claim arising as late as November 24, 1995, will not be limited by either statute. The financial impact of this court-imposed hiatus has been significant, but is declining, as cases are resolved.

In May 1999, the Louisiana Supreme Court invalidated R.S. 9:2800, which limited the circumstances under which the State could be held liable for damages caused by the condition of things under its care and custody. The Court's judgment was applied retroactively to November 23, 1995, the effective date of its implementation, thus imposing an adverse and severe impact upon the liability of the State for tort compensation.

Act 3 of the First Extraordinary Session of the Legislature of 1996 amended Article 2323 of the Louisiana Civil Code to require trial quantification of the degree of liability of known non-parties, unknown persons not made a party, and statutorily immune parties such as the employer of a plaintiff suing a third party tortfeasor. The same act also amended Article 2324 of the Civil Code to provide that a negligent defendant would pay compensation calculated solely on the degree of his liability under comparative fault, regardless of the ability of co-defendants to pay their respective shares. The Louisiana Supreme Court declared that the provisions of Act 3 were remedial in nature and, therefore, retroactive in application to pending cases. This ruling will result in some reduction of the ultimate liability of the State in pending and future cases.

In June 2000, the Louisiana Supreme Court refused to consider a lower court decision which held that the Medical Liability for State Services Act did not apply to blood transfusions received in hospitals operated by the State. The State has pending cases alleging serious or fatal infections linked to blood transfusions in hospitals operated by the State. The decision denies the State the benefits of the medical malpractice reforms in those cases.

In June 2001, the Louisiana Supreme Court held that the administrative remedy procedure for inmates in the custody of the Department of Corrections was

unconstitutional. Under the procedure, inmate complaints that reached the State court system did so as judicial review of agency decisions. Many of those complaints will now be lawsuits rather than administrative matters. The financial impact of this decision will be significant, both in the expense of defending these cases and in the potential judgments.

In the First Extraordinary Session of 2002 the Legislature passed Act 89 to address the impact of the Supreme Court's inmate administrative remedy decision. The legislation was signed into law on April 19, 2002 and affects suits filed thereafter. The Act may significantly limit litigation costs and the tort exposure of the State in inmate claims going forward from enactment, however, it does not significantly limit the hundreds of suits filed before enactment. From the beginning of FY 02-03 to the present, the self-insurance fund of the State has not been available as a source of funds to settle tort claims involving road defect allegations nor to pay final judgments in such matters. As a result, settlements and judgments in such road hazard tort claims have been and will continue to be funded and paid only through individual legislative appropriation. During FY 02-03 the sum appropriated for such matters totaled approximately \$13,000,000.

Since 2001 two lines of tort litigation against the State have been settled, leaving the State significantly exposed to damage claims. In the first, a suit against the State based on claims that the construction of Interstate 12 has caused extensive flood damage to homes along the highway has become final as to liability. The trial court, having previously bifurcated trial on liability and damages, has just received a master's recommendation that damages in excess of \$200,000,000 should be awarded. In the second tort matter, a collection of cases against the State involving claims alleging damages to oyster leases caused by coastal restoration efforts continue to be litigated. While not yet final, the judgments rendered to date award damages in excess of \$1,300,000,000 when judicial interest is included. The Legislature has passed a series of acts in the Regular Session of 2003, including proposed amendments of the Louisiana Constitution, which will significantly limit or reduce the liability of the State in the oyster lease cases. The amendment was approved by the voters in the Fall of 2003.

Though they were not included in the dollar values set forth above, suits have been filed challenging the constitutionality of various provisions of law, including judicial election redistricting cases, the State laws regulating abortions, the assessments that fund the Injured Worker Re-employment Program, and the Patient's Compensation Fund's payment of future medical expenses concerning custodial care, among others. Though these cases do not seek recovery for damages, rulings adverse

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to the State could result in liability for the plaintiffs' attorney fees.

Several suits have been filed by the coastal parishes seeking a portion of the 8(g) settlement. Suits have been filed alleging lack of and/or negligent regulation of the insurance industry. A suit has been filed alleging that the collection of local sales and use taxes from people moving to Louisiana violates the Commerce Clause of the U.S. Constitution. Another suit has been filed challenging the ability of the State to collect royalty from dredged sand and gravel used in State projects. Though these suits are not quantifiable at this time, if any of these matters are decided adversely to the State, the cost to the State could be significant. Although many of these cases do not seek recovery for damages, rulings adverse to the State could result in significant loss of revenue and/or liability for the plaintiffs' attorney fees.

The Department of Transportation and Development (DOTD) reports that, as of June 30, 2003, there were 51 outstanding inverse condemnation suits with demands of \$4,004,599 and with an estimated exposure of \$1,001,150. Expropriation suits filed by levee boards and other expropriating entities, other than DOTD, have not been included in this number because the State does not appropriate the dollar amount due to the landowners. In addition to the amount reported as Fund Balance-Reserve for Construction in the Capital Outlay Escrow Fund, DOTD indicates that \$20,091,710 in flood control and construction contracts is outstanding and unfunded as of June 30, 2003.

As of June 30, 2003, the State is not aware of any pending suits concerning the ability of the State to issue bonds or other evidences of indebtedness.

The Department of Revenue (DOR) reports that the total amount of pending litigation affecting the department's right to tax, where there is a probable likelihood that an asset has been impaired or a liability has been incurred as of June 30, 2003, is \$54,121,646. This figure includes a large number of refund claims that were filed against the State as a result of a lower court decision that held that refunds under R.S. 47:1621 were to be granted only under very limited circumstances. In response to this ruling, Act 6 of the First Extraordinary Session of the Louisiana Legislature of 2001 was enacted. This legislation expanded the conditions under which the Department of Revenue is now authorized to make tax refunds. This figure also includes the "Act 690" claims against the State that the DOR believes could have an unfavorable result, which could also negatively impact the State Treasury.

Though the outcomes of these suits are unknown at present, if the court decisions are against the State, there is the potential for a negative impact on the unreserved/undesignated balance of the General Fund.

As to judgments rendered prior to June 30, 2003, but not appropriated in the 2003 Legislative Session, the Department of Health and Hospitals/Metropolitan Development Center, reports \$75,000 and the Department of Wildlife and Fisheries/Office of Management and Finance, reports \$5,000. The 1994 Legislature passed Act 1038, which specifies that any settlement or compromise agreement of claims against the State or a State agency for an amount of \$500,000 or more that is covered by the Self-Insurance Fund, or of tort claims against the State or State agencies whether or not covered by the Self-Insurance Fund, shall not be made unless the agreement is approved by a majority of the members of a subcommittee of the Joint Legislative Committee on the Budget, comprised of three members of the Senate and three members of the House of Representatives designated by the chairman.

State agencies reported unasserted claims totaling \$500,000. These claims have been determined to be probable of assertion and subject to disclosure in accordance with the Statement of Financial Accounting Standards No. 5 (AC section C59), with "probable" being defined as "future event or events that are likely to occur."

The Injured Worker Reemployment Program encourages employers to hire physically handicapped employees who have a permanent partial disability, by reimbursing the employer or, if insured, his or her insurance carrier for part of the workers' compensation costs for on-the-job injuries. The estimated total future payments to be made for claims outstanding at June 30, 2003 were \$169,838,819. Funds to make these payments will come from an annual assessment made against all insurance companies writing workers' compensation insurance in the State and all employers that are self-insured.

Thirty-five coroners filed suit against the State for past due and future extra compensation pursuant to R.S. 33:1559, which provides that extra compensation for coroners in the amount of \$548 shall be payable monthly by the State Treasurer on the warrant of the coroners from funds appropriated by the legislature for this purpose. The legislature failed to appropriate these funds and a judgment against the State was rendered in favor of the coroners. Demand has been made upon the state treasurer for the immediate full payment of the judgment, plus interest. The Governor of the State of Louisiana,

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ordered that the State Treasurer not withdraw, disburse, or expend any monies from the state treasury to satisfy the judgment the coroners brought against the State without a specific appropriation from legislature that has become law.

## **Discrete Component Units**

It is the opinion of the Attorney General that the estimated future liability for the existing claims against the discrete component units of the State is approximately \$22,273,931, which include claims against Orleans Levee District for \$17,800,195, Louisiana State University System for \$1,672,750, Louisiana Housing Finance Agency for \$1,075,000, Southern University System for \$1,002,500, and other component units for \$723,486.

## **C. DISALLOWANCES**

A significant amount of federal grant dollars is received by the State subject to financial and compliance audits mandated by the grantors. Disallowances resulting from these audits may become a liability of the State and are estimated to be \$319,690,039. This amount is not reflected in the accompanying financial statements.

## **D. LIABILITIES AS A RESULT OF ADMINISTRATIVE RESPONSIBILITY**

The State is the recipient of food commodities from the federal government and is responsible for distribution to the agencies, institutions, etc., that will ultimately distribute the food. The value of surplus commodities on hand in State warehouses at June 30, 2003, is \$1,141,909. At this time, the State anticipates no material losses because of this federal program.

## **E. LOUISIANA'S INACTIVE AND ABANDONED SITES**

On July 1, 1999, the Louisiana Department of Environmental Quality (LDEQ) initiated its reorganization effort. This resulted in the dissolution of the Inactive and Abandoned Sites Division and the creation of the Remediation Services Division (RSD). This new division oversees not only remediation of inactive and abandoned-type sites, but also remediation of hazardous waste sites, solid waste sites, and underground storage tank sites. This departmental reorganization also included development of a new electronic tracking system, TEMPO (Tools for Environmental Management and Protection Organizations). The RSD continue to enter historical information along with new programmatic information into TEMPO.

Currently, the RSD universe consists of 2,018 sites in some phase of remediation: confirmed sites, 149; solid

waste sites, 200; hazardous waste sites 80; underground storage tank sites, 846; ground water sites, 221; voluntary remediation program sites, 26; and undesignated sites in TEMPO, 19. There are also 477 "potential" sites that have not currently been assessed to determine: (1) if there is a need for remediation, and (2) their regulatory jurisdiction.

The 149 confirmed sites are from the former Inactive and Abandoned Sites Division and are remediated under CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act), the Environmental Quality Act, and the Inactive and Abandoned Sites Regulations. Sites without financially viable responsible parties may be eligible for remediation with funding from the State Hazardous Waste Site Cleanup Fund or the U.S. Environmental Protection Agency (EPA) Superfund program.

Within the subset of confirmed sites, currently there are three government funded Superfund sites (Southern Shipbuilding, Bayou Bonfouca and Madisonville Wood Preserving) that are in the Operation and Maintenance (O&M) phase. The State is responsible for funding and implementing O&M at two of these three sites for 30 years or more. The Southern Shipbuilding site is now privately owned; therefore, the State is not funding and implementing the O&M, but LDEQ oversees the O&M. In future years, the State will be responsible for O&M at additional Superfund sites. Prior to the O&M phase, the State is also responsible for 10% of all remediation expenses for sites that are funded by the U.S. EPA Superfund program. Currently, there are four government-funded Superfund sites in remediation in Louisiana: American Creosote Works, Inc.; Delatte Metals; Mallard Bay Landing Bulk Plant; and Old Inger Oil Refinery.

For FY 02-03, the LDEQ prepared 10% state match payments for the EPA-lead Superfund sites in the amount of \$111,908.42. State match is invoiced and paid in accordance with Superfund State Contracts (SSCs); payments are due in October each year. The LDEQ expenditures for Operation and Maintenance for FY 02-03 totaled \$371,748. For the Bayou Bonfouca and Madisonville Wood Preserving sites, LDEQ paid both state match for EPA-lead remediation work and state-lead O&M contract work during FY 02-03. To allow for budgeting, SSC invoices are billed one year in advance of the October payment due date. EPA-lead remediation work was concluded during the 2001-02 SSC billing period. Due to post-term EPA contract audits, fee audit adjustments will result in continued state-match payments due for remediation work through the 2002-03 SSC billing period. These will be invoiced to the LDEQ and due for payment in October 2004.

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During FY 02-03 the LDEQ committed State matching funds to an expedited EPA removal action at one site, Coastal Radiation Services. These funds will be due for payment upon completion of the removal project.

The 200 solid waste sites are from the former Solid Waste Division and are remediated under Hazardous and Solid Waste Amendments (HSWA). These are active sites with existing parties that are responsible for site remediation.

The 80 hazardous waste sites are from the former Hazardous Waste Division and are remediated under RCRA (Resource Conservation and Recovery Act). These are active sites with existing parties that are responsible for site remediation.

The 846 underground storage tank (UST) sites are remediated under RCRA Subtitle I and may be eligible for funding through the Louisiana Motor Fuels Trust Fund or the U.S. EPA's Leaking Underground Storage Tank (LUST) Trust Fund. Additionally, as of July 1, 2001, a new State source of funding for LUST remediation is available to DEQ to address "orphan" LUST sites. RSD has identified and prioritized 42 "orphan" sites among the 846 known leaking UST sites.

Act 1121 of the 2001 Regular Session directed that beginning July 1, 2001, all interest monies earned by the Motor Fuels Underground Storage Tank Trust Fund shall be used for the closure of abandoned motor fuel USTs and assessment and remediation of property contaminated by abandoned motor fuel USTs. In order to implement this legislation, the Remediation Services Division has developed an identification and ranking process for abandoned UST sites and is developing the contracts necessary to utilize Trust Fund interest monies in accordance with State bid and contracting requirements to meet the requirements of the Act.

The Louisiana Voluntary Remediation Program (VRP) provides a mechanism by which property owners (or potential owners) or others can clean up contaminated

properties and receive a release of liability for further clean up of historical contamination at a site. This release of liability flows to future owners as well.

The 19 sites without program designation are either new sites where the program determination has not been made or the site is in some phase of remediation, but the program designation has not been entered into TEMPO. At present, no reliable estimate of the total cleanup cost for the known and unknown waste sites is available. As a result, no amounts have been accrued in the accompanying financial statement related to liabilities involving inactive and abandoned waste site cleanup.

## F. COOPERATIVE ENDEAVORS

R.S. 33:9022 defines "cooperative endeavor" as any form of economic development assistance between and among the State, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The State has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the State. The estimated amounts outstanding as of June 30, 2003, which are not reflected on the accompanying financial reports, are as follow:

• General Funds	\$644,390,744
• Self-Generated funds	16,486,315
• Statutorily Dedicated funds	117,122,340
• General Obligation Bonds	211,275,612
• Federal funds	17,644,343
• Interagency transfers	161,530
• Other funds	<u>32,564,560</u>
Total	\$1,039,645,444



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## NOTE 10: FUND BALANCE/NET ASSETS DISCLOSURES

- A. Reservations of fund balance are those amounts either legally restricted to a specific future use or not available for appropriation or expenditure. Designations of fund balance represent self-imposed limitations on the use of otherwise available expendable financial resources. The following table enumerates the fund balance reservations and designations (expressed in thousands).

	General Fund	Louisiana Education Quality Trust Fund	Medicaid Trust for the Elderly	Nonmajor Funds	Component Units
<b>Reserved for:</b>					
Debt Service	\$ --	\$ --	\$ --	\$ 27,111	\$ 145,650
Inventories	66,240	--	--	--	--
Encumbrances	30,622	--	--	73,757	--
Continuing Projects	--	--	--	182,064	--
Building Trust	--	--	--	1,610	--
Construction	--	--	--	955,054	10,288
Trust Principal	--	868,244	--	10,808	--
Other Specific Purposes	231,016	--	--	130,638	95,970
Nonexpendable	--	--	--	--	221,867
Expendable	--	--	--	--	338,083
<b>Total Reservations of Fund Balances</b>	<b>\$ 327,878</b>	<b>\$ 868,244</b>	<b>\$ --</b>	<b>\$ 1,381,042</b>	<b>\$ 811,858</b>
<b>Designated for:</b>					
<b>Total Net Unrealized Gains on Fair Value of Investments</b>	<b>\$ 18,330</b>		<b>\$ 57,329</b>	<b>\$ 118,805</b>	

- B. Total encumbrances amounted to \$195,220,871. Encumbrances relating to federal revenues not deferred totaling \$84,086,979 are not reported on the face of the General Fund balance sheet. Encumbered interagency transfers of \$5,957,134 and self generated funds of \$796,900 are also not included in the reserve for encumbrances on the General Fund balance sheet because monies were not available at fiscal year end to cover these encumbrances. Encumbrances of statutory dedications totaling \$73,758,101 are reported in the appropriate fund types as reserve for encumbrances. The amount reserved for encumbrances on the General Fund balance sheet is \$30,621,757.

## C. FUND BALANCE/NET ASSETS RESTATEMENT

The following table discloses restatements of certain fund balance/net assets by fund type (expressed in thousands):

	General Fund	Major/Nonmajor Governmental Funds	Major/Nonmajor Enterprise Funds	Component Units
<b>Fund Balances/Net Assets at June 30, 2002</b>	\$ 391,045	\$ 5,052,287	\$ 2,043,520	\$ 1,899,118
Reclassification of Fund Types	--	--	(24,024)	24,024
Change in Accounting Principle	--	--	(5,270)	--
Prior Period Adjustments	7,382	4,468	--	925
<b>Beginning Fund Balances/Net Assets as Restated</b>	<b>\$ 398,427</b>	<b>\$ 5,056,755</b>	<b>\$ 2,014,226</b>	<b>\$ 1,924,067</b>

## D. ENTITY RECLASSIFICATIONS

Effective July 1, 2002, the Louisiana Agriculture Finance Authority and the Louisiana Beef Industry Council were reclassified to Discrete Component Units.

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## NOTE 11: OTHER DISCLOSURES

### A. FEDERAL FAMILY EDUCATION LOANS

The Louisiana Student Financial Assistance Commission (LASFAC) participates in the U.S. Department of Education Federal Family Education Loans program whereby student loans guaranteed by the State are reinsured by the federal government. Through participation agreements with various lending institutions, LASFAC guarantees 100%, 98%, or 95% of principal and interest of qualified student loans made by lenders and purchases all defaulted loans to the extent of their guarantee. LASFAC then receives reinsurance reimbursements from the U.S. Department of Education for claims paid because of default, death, disability, and bankruptcy at rates varying from 75% to 100% of claims paid, depending on default rates in LASFAC's portfolio and the dates the loans were guaranteed. Under the Federal Family Education Loans program, LASFAC is obligated to repay the U.S. Department of Education 76% of subsequent collections on defaulted loans for which LASFAC has received reinsurance reimbursements. LASFAC is allowed to retain up to 24% for administrative expenses.

### B. PATIENTS' COMPENSATION FUND

The Patients' Compensation Fund acts primarily as an agent to facilitate payment of medical malpractice claims covering excess liability of private sector health care providers practicing in the State. The fund levies surcharges to private sector health care providers to pay settled claims and administrative expenses paid on behalf of health care providers during the prior year. Act 507 of 1988 amended RS 40:1299.44 to further define the fund by including language specifically stating that the fund and any income from it are not public monies. Therefore, obligations for payment of claims against the fund are not legal liabilities of the State. However, because of the provisions of GASB Codification Section 2100.108-112, the long-term obligations of the fund, \$568,824,000, are included in the accompanying financial statements. This balance of long-term obligations reported as of June 30, 2003, is based on projections contained in a draft actuarial report as of December 31, 2002.

### C. LOUISIANA HOUSING FINANCE AGENCY

The Louisiana Housing Finance Agency has single and multifamily mortgage revenue bonds outstanding of \$788,744,000, which are not included in the accompanying financial statements. The obligations of the programs are not obligations of the State, and the State is not liable for such obligations. The ability of the programs to meet the debt service requirements on bonds issued to finance

mortgage loans is dependent on the ability of the mortgagors in such programs to generate sufficient funds to meet their respective mortgage repayments.

### D. OFFICE OF RISK MANAGEMENT

The Office of Risk Management purchases annuities to settle portions of certain claims. Third-party trustees then make payments to the claimants. Annuities totaling \$41,647,466 were purchased during the fiscal year ended June 30, 2003. At June 30, 2003, there were 110 active annuities valued at \$231,567,701. Of the 110 annuities, 97 annuities release the State from further liability on the related claims. The remaining 13 annuities do not contain the wording necessary to release the State from any possible future liability, although the probability of these becoming a liability is remote.

### E. RECONCILIATION OF CLAIMS LIABILITY FOR STATE RISK PROGRAMS

In addition to risks related to the Office of Risk Management, the State is exposed to various risks of losses related to tort claims and the self-insured and self-funded State Employees' Group Benefits Program, which provides health and life insurance benefits to active and retired employees. Beginning in 1989, the State stopped carrying commercial insurance because of the prohibitive cost, and began covering all claim settlements and judgments with the resources of the General Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Total claims and judgments expenditures were \$665,789,697. Changes in the reported liability since June 30, 2002, resulted from the following (expressed in thousands):

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Recoveries from Settled and Unsettled Claims	Balance at Fiscal Year End
2001-02	\$1,161,769	\$664,384	\$651,705	\$5,707	\$1,168,741
2002-03	\$1,168,741	\$680,963	\$525,536	\$9,749	\$1,314,419

### F. RELATED PARTY TRANSACTIONS

The State Board of Elementary and Secondary Education (SBESE) serves as the governing board for the Department of Education. The State Superintendent of Education is appointed by the SBESE. The State Superintendent is responsible for the daily administration of the department and submits educational policy and funding issues and awards to the SBESE for implementation authority.

The SBESE consists of eleven members representing eight geographic regions of the State (SBESE districts). Eight members are elected by citizens in the representative SBESE districts and three members at

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large are appointed by the governor. Elected and appointed members serve a term of four years concurrent with the term of the governor.

The Department of Education presents funding awards and/or allocations to the Finance Committee of the SBESE for recommendation to the full board. A majority of the board constitutes department authority to award funds to sub-recipients.

The elected SBESE member for the fourth SBESE district is currently the Superintendent of DeSoto Parish School Board and a sub-recipient of funds authorized by SBESE. For the fiscal year ending June 30, 2003, DeSoto Parish School Board received amounts totaling \$26,763,294 in funding authorized by SBESE and released by the Department of Education.

Louisiana Educational Television Authority (LETA) leases space on their satellite to various universities and the monies are deposited into the Foundation for Excellence in Louisiana Public Broadcasting. At June 30, 2003, the net amount owed by the Foundation for these rentals is \$6,576,861, which includes \$1,386,600 of estimated earnings.

In addition, the Foundation entered into contract with the Louisiana Lottery Corporation to provide production and nightly distribution services for the various lottery games. All equipment used in providing these services was purchased by the Foundation on behalf of LETA and were recorded on LETA's fixed asset listing in the prior years. Accordingly, the cumulative net of revenue earned less any expenses included for the services amounted to \$506,985 and is considered owed to LETA.

## G. CONTINGENT RECEIVABLES AND PAYABLES FOR UNCOMPENSATED CARE COSTS

Section 13621 of the Omnibus Budget Reconciliation Act (OBRA) of 1993 amended Section 1923 of the Social Security Act to limit disproportionate share hospital (DSH) payments. For State fiscal years beginning after January 1, 1995, payments to all hospitals were limited to 100% of uncompensated costs. Uncompensated costs were defined as cost of services to Medicaid patients, less the amount paid by the State under the non-DSH payment provisions; plus cost of services to uninsured patients, less any cash payments made by them.

Estimates and draws for allowable costs requested from Health and Human Services by LSUHSC-HCSD through the Louisiana Department of Health and Hospitals were, after audit adjustments, found to be in excess of actual allowable expenditures of \$290,154,502, including \$210,603,336 in Federal Financial Participation (FFP). The Centers for Medicare and Medicaid Services (CMS) has requested in a letter dated December 2, 2002, the State establish accounts receivable for these overpayments and refund the FFP within 60 days of receipt of the letter. The CMS letter further states "A disallowance will be issued if the State does not reflect the DHS overpayments as accounts receivable as requested."

The State has appealed the decision of the CMS based upon the advice of legal counsel. No receivable or payable has been reported in the accompanying financial statements for governmental activities due to its contingent nature as discussed in the Financial Accounting Standard Board Statement No. 5.

## NOTE 12: SUBSEQUENT EVENTS

### A. CONSTITUTIONAL AMENDMENTS

Fifteen proposed amendments to the Louisiana Constitution of 1974 were voted on at a general statewide election held October 4, 2003. Of the fifteen, eleven were passed. A summary of those eleven amendments are as follows:

- Requires 35 million dollars annually of monies in the Mineral Revenue Audit and Settlement Fund to be deposited in the Wetlands Conservation and Restoration Fund and authorizes the legislature to appropriate nonrecurring revenues for certain highway construction.
- Provides that the source of monies from the remaining portion of revenues received from the Master Settlement Agreement in tobacco litigation

after July 1, 2003 be deposited into the Louisiana Coastal Restoration Fund.

- Authorizes the legislature to limit the extent of recovery for loss or damage of property rights affected by all coastal wetlands conservation activities.
- Authorizes State Board of Elementary and Secondary Education to manage and operate public elementary or secondary schools determined to be failing by the state accountability system.
- Provides for the appointment of certain members to the board of directors of the Louisiana Workers' Compensation Corporation.
- Allows changes to certain Transportation Infrastructure Model for Economic Development

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(TIMED) project descriptions eligible for money from the state's gasoline tax.

- Exempts from property tax the drilling rigs used for exploration and development of minerals which are outside territorial limits of the state, but are stored, stocked, converted, renovated, or repaired within the state.
- Requires monies in the Lottery Proceeds Fund to be annually appropriated by the legislature for the Minimum Foundation Program for public elementary and secondary education up to five hundred thousand dollars for compulsive and problem gaming services.
- Provides that mineral revenues classified as nonrecurring revenues shall not be classified as mineral revenues for purposes of determining amount of revenues to be deposited into the Budget Stabilization Fund.
- Clarifies that the constitutional protection to private ownership of personal property does not apply to contraband.

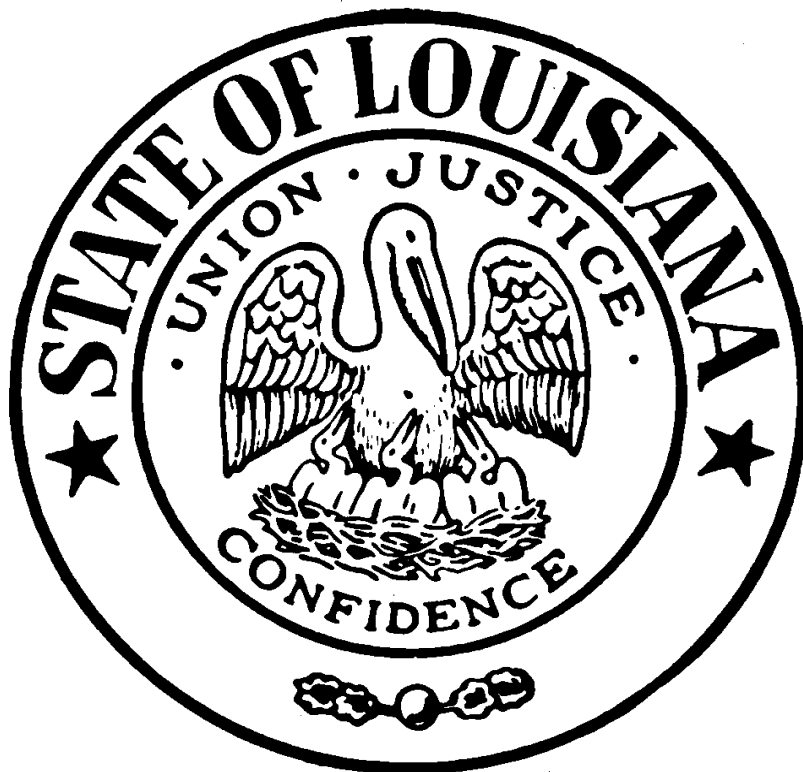
- Allows a judge to continue serving his term of office if he reaches mandatory retirement age of seventy during his term.

## **B. DEPARTMENT OF ELECTIONS AND REGISTRATION**

In Fiscal Year 2003-2004, the Department of Elections and Registration will be merging with the Department of State at the end of Commissioner Terrel's current term as the Commissioner of Elections, January 12, or upon her vacancy from the Department.

## **C. U.S. DEPARTMENT OF TREASURY PAYMENTS**

On October 1, 2003, Louisiana received a wire transfer in the amount of \$75,984,238.51 from the United States Treasury. This was the second and final installment from the Jobs and Growth Tax Relief Reconciliation Act of 2003. The first payment was received on June 12, 2003 and was for the same dollar amount.



REQUIRED SUPPLEMENTARY  
INFORMATION OTHER THAN  
MANAGEMENT'S DISCUSSION  
AND ANALYSIS



## Supplement to the Story of the Louisiana Purchase

### The Impact of the Louisiana Purchase

#### ***The United States and Land Deals***

One of the most important consequences of the purchase was to establish the federal government's right to acquire and add territory to the United States, an action not mentioned in the United States Constitution at the time. Within fifteen years of the Louisiana Purchase the U.S. government would exercise this new authority when it bought Florida from Spain. Later purchases would include Texas, the Southwest, and California, all bought in 1848 from Mexico after that country's defeat by the United States in the Mexican War. In 1853 the Gadsden Purchase would give America another chunk of northern Mexico and in 1867 the United States would buy Alaska from Russia.

#### ***The United States Doubles***

The territory of Louisiana, named in the seventeenth century after the French king Louis XIV, would be carved, in part or whole, into fifteen states: Arkansas, Colorado, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming.

#### ***A Land Unknown***

Louisiana would make the United States a wealthy nation, for it would prove rich in gold and silver, as well as vast timber reserves and

rich grazing and farmlands. Possession of this region would eventually make the U.S. mining and agriculture among the most productive in the world. The Louisiana Territory was mostly blank on the maps of the world since the borders were vague. Louisiana was the watershed of the Mississippi River. What was not in doubt was that the United States now controlled the Mississippi River. At the time of purchase, this twenty-three hundred mile river was an important waterway for American trade, and U.S. possession of the river guaranteed that the flow of goods would continue and grow until Mississippi River traffic became crucial to the U.S. economy. As the scholar Marshall Sprague notes, the "infant United States acquired the largest and most valuable river system on earth," for many other rivers were also now added to the United States. Crossing the Louisiana territory from west to east to empty into the Mississippi were the Missouri, the Arkansas, and the Red rivers.

#### ***Looking West***

Even before the Louisiana Purchase, the United States was facing west. Possession of the Louisiana territory set the United States permanently on a course that would lead the people toward the Pacific Ocean.

# State of Louisiana

## BUDGETARY COMPARISON SCHEDULE

### BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	GENERAL FUND			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH
	ORIGINAL	FINAL	BUDGETARY BASIS	FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
INTERGOVERNMENTAL	\$ 5,540,671	\$ 6,169,200	\$ 5,738,893	\$ (430,307)
USE OF MONEY AND PROPERTY	955	955	25,789	24,834
LICENSES, PERMITS, AND FEES	--	47	--	(47)
SALES OF COMMODITIES	549,196	557,641	540,551	(17,090)
OTHER	153,756	154,616	145,723	(8,893)
INTERAGENCY TRANSFERS	243,739	260,599	260,900	301
TOTAL REVENUES	6,488,317	7,143,058	6,711,856	(431,202)
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	1,336,264	1,737,331	1,335,976	401,355
CULTURE, RECREATION, AND TOURISM	67,860	68,488	64,421	4,067
TRANSPORTATION AND DEVELOPMENT	380,105	400,916	365,950	34,966
PUBLIC SAFETY	267,871	283,292	249,314	33,978
HEALTH AND WELFARE	6,344,216	6,862,341	6,476,399	385,942
CORRECTIONS	651,708	668,654	652,793	15,861
CONSERVATION	313,283	386,035	265,493	120,542
EDUCATION	5,863,045	6,007,184	5,699,896	307,288
OTHER	10,352	10,352	4,793	5,559
INTERGOVERNMENTAL	380,153	465,276	366,192	99,084
DEBT SERVICE	33,347	21,398	128,352	(106,954)
TOTAL EXPENDITURES	15,648,204	16,911,267	15,609,579	1,301,688
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,159,887)	(9,768,209)	(8,897,723)	870,486
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	9,026,103	9,712,716	9,373,162	(339,554)
TRANSFERS OUT	(265,777)	(258,677)	(325,429)	(66,752)
TOTAL OTHER FINANCING SOURCES AND (USES)	8,760,326	9,454,039	9,047,733	(406,306)
NET CHANGES IN FUND BALANCES	\$ (399,561)	\$ (314,170)	\$ 150,010	\$ 464,180

	MEDICAID TRUST FUND FOR THE ELDERLY			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH
	ORIGINAL	FINAL	BUDGETARY BASIS	FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
USE OF MONEY AND PROPERTY	\$ --	\$ --	\$ 62,674	\$ 62,674
TOTAL REVENUES	--	--	62,674	62,674
TOTAL EXPENDITURES	--	--	--	--
EXCESS OF REVENUES OVER EXPENDITURES	--	--	62,674	62,674
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	130,241	130,241	218,770	88,529
TRANSFERS OUT	(130,241)	(130,241)	(149,540)	(19,299)
TOTAL OTHER FINANCING SOURCES	--	--	69,230	69,230
NET CHANGES IN FUND BALANCES	\$ --	\$ --	\$ 131,904	\$ 131,904

The notes to required supplementary information are an integral part of this schedule.



# State of Louisiana

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## NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

### BUDGETARY REPORTING

FOR THE YEAR ENDED JUNE 30, 2003

The Budgetary Comparison Schedule - Budget to Actual (Non-GAAP Budgetary Basis) presents comparisons of the original and final legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resulting basis, perspective, and entity differences in the revenues in excess of (less than) expenditures and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 2003, is presented below (expressed in thousands) for the General Fund.

Net Change in Fund Balances (GAAP)	\$	(63,671)
Reconciling Adjustments:		
Basis Differences:		
To Adjust for Revenue Accruals and Deferrals		1,110,923
To Adjust for Capital Leases		3,654
To Adjust for Expenditure Accruals		(880,371)
To Delete IAT Related Transfers In		940,291
To Delete IAT Expenditures		(940,291)
To Adjust for Bond Proceeds		<u>(20,525)</u>
Net Change in Fund Balances (Budgetary Basis)	\$	<u><u>150,010</u></u>

COMBINING AND INDIVIDUAL  
FUND STATEMENTS –  
NONMAJOR FUNDS



## Supplement to the Story of the Louisiana Purchase

### Time Line

**1682** – Rene-Robert Cavelier de La Salle claimed land he named Louisiana for France.

**1699** – Pierre Le Moyne, sieur d'Iberville, establishes France's first settlement in Louisiana.

**1762 – 1763** – France gives up western Louisiana, plus New Orleans, to Spain and eastern Louisiana to England.

**1783** – England transfers eastern Louisiana to the United States.

**1784** – The Spanish closes the lower Mississippi River and New Orleans to foreign trade.

**1795** – The Treaty of San Lorenzo allows Americans to navigate the lower Mississippi River and to deposit goods duty-free in New Orleans.

**1800** – France and Spain draw up the Treaty of San Ildefonso on October 1, agreeing to the return of western Louisiana and New Orleans to France.

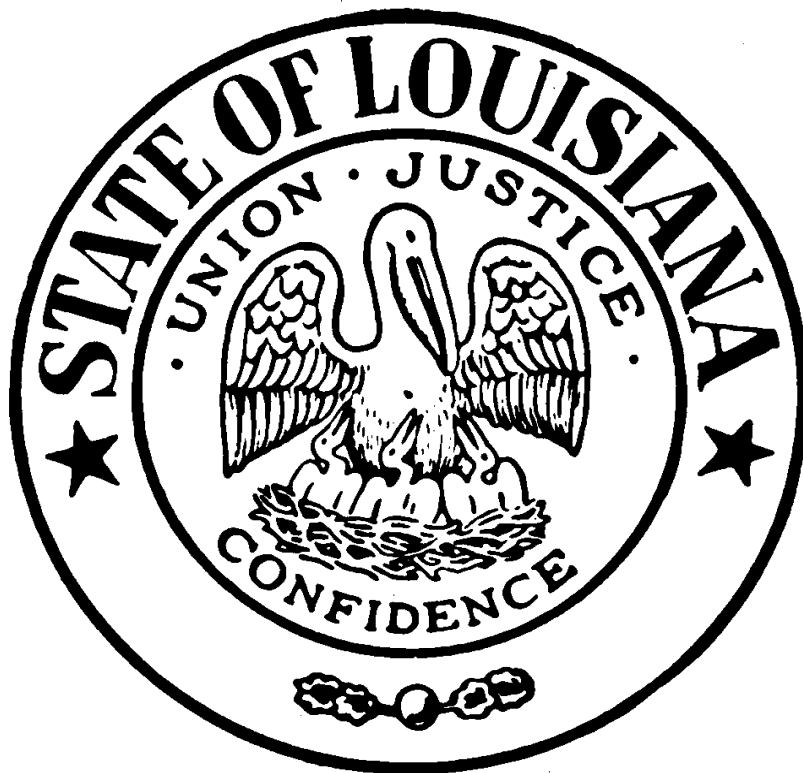
**1801** – Robert R. Livingston arrives in France to begin negotiations for the United States to buy New Orleans.

**1802**-- Spain signs the treaty of San Ildefonso, officially giving France title to Louisiana.

**1803** – France offers to sell Louisiana to the United States. The treaty for the Louisiana Purchase is signed. Napoleon ratifies the Louisiana Purchase Treaty. The U.S. Senate ratifies the Louisiana Purchase Treaty. France hands lower Louisiana over to the United States.

**1804** –Meriwether Lewis and William Clark start up the Missouri River.

**1806** – Lewis and Clark return to St. Louis.



# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	ACADEMIC IMPROVEMENT FUND	ADMINISTRATIVE FUND OF THE DEPARTMENT OF INSURANCE	AGRICULTURAL COMMODITIES COMMISSION SELF INSURANCE FUND	AGRICULTURAL PRODUCTS PROCESSING DEVELOPMENT FUND	AQUATIC PLANT CONTROL FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 1,548	\$ --	\$ 520	\$ 23	\$ 200
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	665	1	--	15
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	<u>\$ 1,548</u>	<u>\$ 665</u>	<u>\$ 521</u>	<u>\$ 23</u>	<u>\$ 215</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	45	369	--	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	<u>45</u>	<u>369</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	<u>1,503</u>	<u>296</u>	<u>521</u>	<u>23</u>	<u>215</u>
TOTAL FUND BALANCES	<u>1,503</u>	<u>296</u>	<u>521</u>	<u>23</u>	<u>215</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,548</u>	<u>\$ 665</u>	<u>\$ 521</u>	<u>\$ 23</u>	<u>\$ 215</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	ACADEMIC IMPROVEMENT FUND	ADMINISTRATIVE FUND OF THE DEPARTMENT OF INSURANCE	AGRICULTURAL COMMODITIES COMMISSION SELF INSURANCE FUND	AGRICULTURAL PRODUCTS PROCESSING DEVELOPMENT FUND	AQUATIC PLANT CONTROL FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	40	675	63	1	283
TRANSFERS OUT	(724)	(584)	(286)	--	(68)
LONG-TERM DEBT ISSUED	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>(684)</u>	<u>91</u>	<u>(223)</u>	<u>1</u>	<u>215</u>
NET CHANGE IN FUND BALANCES	(684)	91	(223)	1	215
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	<u>2,187</u>	<u>205</u>	<u>744</u>	<u>22</u>	<u>--</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,503</u>	<u>\$ 296</u>	<u>\$ 521</u>	<u>\$ 23</u>	<u>\$ 215</u>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

ARCHAEOLOGICAL CURATION FUND	ARTIFICIAL REEF DEVELOPMENT FUND	AVOYELLES PARISH LOCAL GOVERNMENT GAMING MITIGATION FUND	BATTERED WOMEN'S SHELTER FUND	BLACK BEAR ACCOUNT	BLIND VENDORS TRUST FUND	BOLL WEEVIL ERADICATION FUND	BUDGET STABILIZATION FUND
\$ 79	\$ 1,074 20,928	\$ --	\$ 140	\$ 84	\$ 1,452	\$ 198	\$ 189,221
--	--	--	--	--	--	--	--
--	--	767	26	1	19	1,698	4,507
--	--	--	--	--	--	--	--
<u>\$ 79</u>	<u>\$ 22,002</u>	<u>\$ 767</u>	<u>\$ 166</u>	<u>\$ 85</u>	<u>\$ 1,471</u>	<u>\$ 1,896</u>	<u>\$ 193,728</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
40	83	767	12	2	13	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>40</u>	<u>83</u>	<u>767</u>	<u>12</u>	<u>2</u>	<u>13</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	44	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	1,492	--	--	--	--	--	2,588
<u>39</u>	<u>20,383</u>	<u>--</u>	<u>154</u>	<u>83</u>	<u>1,458</u>	<u>1,896</u>	<u>191,140</u>
<u>39</u>	<u>21,919</u>	<u>--</u>	<u>154</u>	<u>83</u>	<u>1,458</u>	<u>1,896</u>	<u>193,728</u>
<u>\$ 79</u>	<u>\$ 22,002</u>	<u>\$ 767</u>	<u>\$ 166</u>	<u>\$ 85</u>	<u>\$ 1,471</u>	<u>\$ 1,896</u>	<u>\$ 193,728</u>

ARCHAEOLOGICAL CURATION FUND	ARTIFICIAL REEF DEVELOPMENT FUND	AVOYELLES PARISH LOCAL GOVERNMENT GAMING MITIGATION FUND	BATTERED WOMEN'S SHELTER FUND	BLACK BEAR ACCOUNT	BLIND VENDORS TRUST FUND	BOLL WEEVIL ERADICATION FUND	BUDGET STABILIZATION FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	682	--	--	--	--	--	1,467
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>682</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,467</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>682</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,467</u>
11	1,885	2,640	109	40	394	12,449	10,862
(40)	(334)	(2,640)	(92)	(12)	(263)	(14,033)	(86,387)
--	--	--	--	--	--	--	--
<u>(29)</u>	<u>1,551</u>	<u>--</u>	<u>17</u>	<u>28</u>	<u>131</u>	<u>(1,584)</u>	<u>(75,525)</u>
(29)	2,233	--	17	28	131	(1,584)	(74,058)
68	19,686	--	137	55	1,327	3,480	267,786
<u>\$ 39</u>	<u>\$ 21,919</u>	<u>\$ --</u>	<u>\$ 154</u>	<u>\$ 83</u>	<u>\$ 1,458</u>	<u>\$ 1,896</u>	<u>\$ 193,728</u>

# State of Louisiana

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2003

(EXPRESSED IN THOUSANDS)	CASINO GAMING PROCEEDS FUND	CHILDREN'S TRUST FUND	CHOOSE LIFE FUND	COASTAL MITIGATION ACCOUNT	COASTAL RESOURCES TRUST FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 1,452	\$ 893	\$ 32	\$ 562	\$ 25
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	90	399	--	1	21
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ 1,542</b>	<b>\$ 1,292</b>	<b>\$ 32</b>	<b>\$ 563</b>	<b>\$ 46</b>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	603	--	--	45
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
<b>TOTAL LIABILITIES</b>	<b>--</b>	<b>603</b>	<b>--</b>	<b>--</b>	<b>45</b>
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	1,542	689	32	563	1
<b>TOTAL FUND BALANCES</b>	<b>1,542</b>	<b>689</b>	<b>32</b>	<b>563</b>	<b>1</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,542</b>	<b>\$ 1,292</b>	<b>\$ 32</b>	<b>\$ 563</b>	<b>\$ 46</b>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)	CASINO GAMING PROCEEDS FUND	CHILDREN'S TRUST FUND	CHOOSE LIFE FUND	COASTAL MITIGATION ACCOUNT	COASTAL RESOURCES TRUST FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	7	--	--	--
<b>TOTAL REVENUES</b>	<b>--</b>	<b>7</b>	<b>--</b>	<b>--</b>	<b>--</b>
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	7	--	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	112	861	32	57	714
TRANSFERS OUT	--	(624)	--	(9)	(757)
LONG-TERM DEBT ISSUED	--	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>112</b>	<b>237</b>	<b>32</b>	<b>48</b>	<b>(43)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>112</b>	<b>244</b>	<b>32</b>	<b>48</b>	<b>(43)</b>
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,430	445	--	515	44
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 1,542</b>	<b>\$ 689</b>	<b>\$ 32</b>	<b>\$ 563</b>	<b>\$ 1</b>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

COMPULSIVE AND PROBLEM GAMING FUND	CONCEALED HANDGUN PERMIT FUND	CONSERVATION FUND	CRIME VICTIMS' REPARATION FUND	CRIMINAL IDENTIFICATION AND INFORMATION FUND	DEFICIT ELIMINATION/ CAPITAL OUTLAY ESCROW/ REPLENISHMENT FUND	DOTD RIGHT OF WAY PERMIT PROCESSING FUND	DIRECTOR OF WORKER'S COMPENSATION REVOLVING FUND
\$ 115	\$ 199	\$ 191	\$ 2,123	\$ 676	\$ 5,010	\$ 786	\$ 143
--	--	--	--	--	--	--	--
1,300	9	4,613	460	80	--	5	5
--	--	--	--	--	--	--	--
<u>\$ 1,415</u>	<u>\$ 208</u>	<u>\$ 4,804</u>	<u>\$ 2,583</u>	<u>\$ 756</u>	<u>\$ 5,010</u>	<u>\$ 791</u>	<u>\$ 148</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
135	2	1	--	474	824	203	--
--	--	--	--	--	462	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>135</u>	<u>2</u>	<u>1</u>	<u>--</u>	<u>474</u>	<u>1,286</u>	<u>203</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	223	161	--	--	--	--	--
--	--	--	--	--	2,710	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	1,014	--	--
<u>1,280</u>	<u>(17)</u>	<u>4,642</u>	<u>2,583</u>	<u>282</u>	<u>--</u>	<u>588</u>	<u>148</u>
<u>1,280</u>	<u>206</u>	<u>4,803</u>	<u>2,583</u>	<u>282</u>	<u>3,724</u>	<u>588</u>	<u>148</u>
<u>\$ 1,415</u>	<u>\$ 208</u>	<u>\$ 4,804</u>	<u>\$ 2,583</u>	<u>\$ 756</u>	<u>\$ 5,010</u>	<u>\$ 791</u>	<u>\$ 148</u>

COMPULSIVE AND PROBLEM GAMING FUND	CONCEALED HANDGUN PERMIT FUND	CONSERVATION FUND	CRIME VICTIMS' REPARATION FUND	CRIMINAL IDENTIFICATION AND INFORMATION FUND	DEFICIT ELIMINATION/ CAPITAL OUTLAY ESCROW/ REPLENISHMENT FUND	DOTD RIGHT OF WAY PERMIT PROCESSING FUND	DIRECTOR OF WORKER'S COMPENSATION REVOLVING FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	324	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>324</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	16,879	--	--
--	--	--	--	--	16,879	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	(16,555)	--	--
2,025 (2,335)	327 (366)	37,237 (38,045)	1,270 (1,612)	2,279 (2,139)	953 (69,025)	286 (476)	53 --
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>(310)</u>	<u>(39)</u>	<u>(808)</u>	<u>(342)</u>	<u>140</u>	<u>(68,072)</u>	<u>(190)</u>	<u>53</u>
(310)	(39)	(808)	(342)	140	(84,627)	(190)	53
1,590	245	5,611	2,925	142	88,351	778	95
<u>\$ 1,280</u>	<u>\$ 206</u>	<u>\$ 4,803</u>	<u>\$ 2,583</u>	<u>\$ 282</u>	<u>\$ 3,724</u>	<u>\$ 588</u>	<u>\$ 148</u>



# State of Louisiana

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	DISABILITY AFFAIRS TRUST FUND	DRUG ABUSE EDUCATION AND TREATMENT FUND	ECONOMICS AND RATE ANALYSIS DIVISION AND HEARING EXAMINERS SUPPLEMENTAL FEE FUND	EMERGENCY MEDICAL TECHNICAL FUND	EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 156	\$ 573	\$ 13	\$ 32	\$ 7,532
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	10	98	202	2	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	<u>\$ 166</u>	<u>\$ 671</u>	<u>\$ 215</u>	<u>\$ 34</u>	<u>\$ 7,532</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ 1,681
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	1	--	--	18	68
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	<u>1</u>	<u>--</u>	<u>--</u>	<u>18</u>	<u>1,749</u>
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	546
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	<u>165</u>	<u>671</u>	<u>215</u>	<u>16</u>	<u>5,237</u>
TOTAL FUND BALANCES	<u>165</u>	<u>671</u>	<u>215</u>	<u>16</u>	<u>5,783</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 166</u>	<u>\$ 671</u>	<u>\$ 215</u>	<u>\$ 34</u>	<u>\$ 7,532</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	DISABILITY AFFAIRS TRUST FUND	DRUG ABUSE EDUCATION AND TREATMENT FUND	ECONOMICS AND RATE ANALYSIS DIVISION AND HEARING EXAMINERS SUPPLEMENTAL FEE FUND	EMERGENCY MEDICAL TECHNICAL FUND	EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	722
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>722</u>
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>722</u>
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	145	195	707	6	--
TRANSFERS OUT	(171)	(67)	(698)	(16)	(4,478)
LONG-TERM DEBT ISSUED	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>(26)</u>	<u>128</u>	<u>9</u>	<u>(10)</u>	<u>(4,478)</u>
NET CHANGE IN FUND BALANCES	(26)	128	9	(10)	(3,756)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	<u>191</u>	<u>543</u>	<u>206</u>	<u>26</u>	<u>9,539</u>
FUND BALANCES AT END OF YEAR	<u>\$ 165</u>	<u>\$ 671</u>	<u>\$ 215</u>	<u>\$ 16</u>	<u>\$ 5,783</u>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

ENVIRONMENTAL TRUST FUND	EXCESS REVENUE COLLECTION FUND	EXPLOSIVES TRUST FUND	FEDERAL ENERGY SETTLEMENT FUND	FEDERAL STATE FISCAL ASSISTANCE TRUST FUND	FEED COMMISSION FUND	FERTILIZER FUND	FIRE INSURANCE FUND
\$ 18,293	\$ --	\$ 87	\$ 45,516	\$ 688	\$ 353	\$ 129	\$ 11,337
--	--	--	--	--	--	--	--
2,016	--	6	--	--	147	386	--
--	--	--	--	--	--	--	--
<u>20,309</u>	<u>--</u>	<u>93</u>	<u>45,516</u>	<u>688</u>	<u>500</u>	<u>515</u>	<u>11,337</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 178	\$ 193	\$ --
2,109	--	--	285	--	--	--	10,732
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>2,109</u>	<u>--</u>	<u>--</u>	<u>285</u>	<u>--</u>	<u>178</u>	<u>193</u>	<u>10,732</u>
--	--	--	--	--	322	322	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
106	--	--	607	--	--	--	--
<u>18,094</u>	<u>--</u>	<u>93</u>	<u>44,624</u>	<u>688</u>	<u>--</u>	<u>--</u>	<u>605</u>
<u>18,200</u>	<u>--</u>	<u>93</u>	<u>45,231</u>	<u>688</u>	<u>322</u>	<u>322</u>	<u>605</u>
<u>\$ 20,309</u>	<u>\$ --</u>	<u>\$ 93</u>	<u>\$ 45,516</u>	<u>\$ 688</u>	<u>\$ 500</u>	<u>\$ 515</u>	<u>\$ 11,337</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
102	--	--	1,197	13	4	1	--
--	--	--	--	--	525	623	--
--	--	--	--	--	--	--	--
<u>102</u>	<u>--</u>	<u>--</u>	<u>441</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>102</u>	<u>--</u>	<u>--</u>	<u>1,638</u>	<u>13</u>	<u>529</u>	<u>624</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	111	164	--
--	--	--	--	--	41	28	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>177</u>	<u>323</u>	<u>1,612</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>329</u>	<u>515</u>	<u>1,612</u>
<u>102</u>	<u>--</u>	<u>--</u>	<u>1,638</u>	<u>13</u>	<u>200</u>	<u>109</u>	<u>(1,612)</u>
52,598	--	56	--	--	121	--	12,845
(46,137)	(9,036)	(25)	(13,090)	--	(121)	--	(11,028)
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>6,461</u>	<u>(9,036)</u>	<u>31</u>	<u>(13,090)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,817</u>
6,563	(9,036)	31	(11,452)	13	200	109	205
<u>11,637</u>	<u>9,036</u>	<u>62</u>	<u>56,683</u>	<u>675</u>	<u>122</u>	<u>213</u>	<u>400</u>
<u>\$ 18,200</u>	<u>\$ --</u>	<u>\$ 93</u>	<u>\$ 45,231</u>	<u>\$ 688</u>	<u>\$ 322</u>	<u>\$ 322</u>	<u>\$ 605</u>

# State of Louisiana

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2003

### SPECIAL REVENUE FUNDS

(EXPRESSED IN THOUSANDS)

	FIRE SPRINKLER TRUST FUND	FISHERMEN'S GEAR COMPENSATION FUND	FOREST PROTECTION FUND	FORESTRY PRODUCTIVITY FUND	FORMOSAN TERMITE INITIATIVE FUND
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ --	\$ 860	\$ --	\$ 36	\$ 38
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	2	1	585	974
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ --</b>	<b>\$ 862</b>	<b>\$ 1</b>	<b>\$ 621</b>	<b>\$ 1,012</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	38	1	126	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
<b>TOTAL LIABILITIES</b>	<b>--</b>	<b>38</b>	<b>1</b>	<b>126</b>	<b>--</b>
<b>FUND BALANCES:</b>					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
<b>UNRESERVED:</b>					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
<b>UNDESIGNATED</b>	<b>--</b>	<b>824</b>	<b>--</b>	<b>495</b>	<b>1,012</b>
<b>TOTAL FUND BALANCES</b>	<b>--</b>	<b>824</b>	<b>--</b>	<b>495</b>	<b>1,012</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ --</b>	<b>\$ 862</b>	<b>\$ 1</b>	<b>\$ 621</b>	<b>\$ 1,012</b>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	FIRE SPRINKLER TRUST FUND	FISHERMEN'S GEAR COMPENSATION FUND	FOREST PROTECTION FUND	FORESTRY PRODUCTIVITY FUND	FORMOSAN TERMITE INITIATIVE FUND
<b>REVENUES:</b>					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL REVENUES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXPENDITURES:</b>					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	59	1,193	811	3,004	45
TRANSFERS OUT	(59)	(864)	(811)	(4,315)	(1,372)
LONG-TERM DEBT ISSUED	--	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>--</b>	<b>329</b>	<b>--</b>	<b>(1,311)</b>	<b>(1,327)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>--</b>	<b>329</b>	<b>--</b>	<b>(1,311)</b>	<b>(1,327)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR AS RESTATED</b>	<b>--</b>	<b>495</b>	<b>--</b>	<b>1,806</b>	<b>2,339</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ --</b>	<b>\$ 824</b>	<b>\$ --</b>	<b>\$ 495</b>	<b>\$ 1,012</b>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

FRAUD DETECTION FUND	GENERAL AVIATION AND RELIEVER AIRPORT MAINTENANCE GRANT PROGRAM FUND	GREATER NEW ORLEANS EXPRESSWAY COMMISSION ADDITIONAL COST FUND	HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND	HAZARDOUS WASTE SITE CLEANUP FUND	HEALTH TRUST FUND	HELP LOUISIANA VOTE FUND	HIGHER EDUCATION INITIATIVES FUND
\$ 4,727	\$ 73	\$ 2	\$ 90	\$ 5,988	\$ 2,567	\$ 12,263	\$ 1,274
--	--	--	--	--	--	--	--
316	--	1	--	1,329	--	--	--
--	--	--	--	--	--	--	--
<u>\$ 5,043</u>	<u>\$ 73</u>	<u>\$ 3</u>	<u>\$ 90</u>	<u>\$ 7,317</u>	<u>\$ 2,567</u>	<u>\$ 12,263</u>	<u>\$ 1,274</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	3	--	1,317	--	--	--
--	--	--	--	--	--	--	424
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>3</u>	<u>--</u>	<u>1,317</u>	<u>--</u>	<u>--</u>	<u>424</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	120
<u>5,043</u>	<u>73</u>	<u>--</u>	<u>90</u>	<u>6,000</u>	<u>2,567</u>	<u>12,263</u>	<u>730</u>
<u>5,043</u>	<u>73</u>	<u>--</u>	<u>90</u>	<u>6,000</u>	<u>2,567</u>	<u>12,263</u>	<u>850</u>
<u>\$ 5,043</u>	<u>\$ 73</u>	<u>\$ 3</u>	<u>\$ 90</u>	<u>\$ 7,317</u>	<u>\$ 2,567</u>	<u>\$ 12,263</u>	<u>\$ 1,274</u>

FRAUD DETECTION FUND	GENERAL AVIATION AND RELIEVER AIRPORT MAINTENANCE GRANT PROGRAM FUND	GREATER NEW ORLEANS EXPRESSWAY COMMISSION ADDITIONAL COST FUND	HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND	HAZARDOUS WASTE SITE CLEANUP FUND	HEALTH TRUST FUND	HELP LOUISIANA VOTE FUND	HIGHER EDUCATION INITIATIVES FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	26
--	--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	26
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	4,392
--	--	--	--	--	--	--	4,392
--	--	--	--	--	--	--	(4,366)
772	1	13	15	6,691	16,979	12,263	99
(300)	--	(13)	(115)	(6,691)	(14,433)	--	--
--	--	--	--	--	--	--	--
<u>472</u>	<u>1</u>	<u>--</u>	<u>(100)</u>	<u>--</u>	<u>2,546</u>	<u>12,263</u>	<u>99</u>
472	1	--	(100)	--	2,546	12,263	(4,267)
<u>4,571</u>	<u>72</u>	<u>--</u>	<u>190</u>	<u>6,000</u>	<u>21</u>	<u>--</u>	<u>5,117</u>
<u>\$ 5,043</u>	<u>\$ 73</u>	<u>\$ --</u>	<u>\$ 90</u>	<u>\$ 6,000</u>	<u>\$ 2,567</u>	<u>\$ 12,263</u>	<u>\$ 850</u>

# State of Louisiana

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	INCENTIVE FUND	INSURANCE FRAUD INVESTIGATION FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND	KEEP LOUISIANA BEAUTIFUL FUND	LABOR PENALTY AND INTEREST ACCOUNT
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 3,314	\$ 2,338	\$ 45	\$ 3	\$ 4,211
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	1,071
DUE FROM OTHER FUNDS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	<u>\$ 3,314</u>	<u>\$ 2,338</u>	<u>\$ 45</u>	<u>\$ 3</u>	<u>\$ 5,282</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	12	--	3	2,650
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	<u>--</u>	<u>12</u>	<u>--</u>	<u>3</u>	<u>2,650</u>
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	<u>3,314</u>	<u>2,326</u>	<u>45</u>	<u>--</u>	<u>2,632</u>
TOTAL FUND BALANCES	<u>3,314</u>	<u>2,326</u>	<u>45</u>	<u>--</u>	<u>2,632</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,314</u>	<u>\$ 2,338</u>	<u>\$ 45</u>	<u>\$ 3</u>	<u>\$ 5,282</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	INCENTIVE FUND	INSURANCE FRAUD INVESTIGATION FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND	KEEP LOUISIANA BEAUTIFUL FUND	LABOR PENALTY AND INTEREST ACCOUNT
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	4,985
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	1,094
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>6,079</u>
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>6,079</u>
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	3,194	2,409	3,870	--	3,896
TRANSFERS OUT	(725)	(1,721)	(3,909)	(3)	(7,343)
LONG-TERM DEBT ISSUED	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,469</u>	<u>688</u>	<u>(39)</u>	<u>(3)</u>	<u>(3,447)</u>
NET CHANGE IN FUND BALANCES	<u>2,469</u>	<u>688</u>	<u>(39)</u>	<u>(3)</u>	<u>2,632</u>
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	<u>845</u>	<u>1,638</u>	<u>84</u>	<u>3</u>	<u>--</u>
FUND BALANCES AT END OF YEAR	<u>\$ 3,314</u>	<u>\$ 2,326</u>	<u>\$ 45</u>	<u>\$ --</u>	<u>\$ 2,632</u>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

LABOR WORKFORCE DEVELOPMENT TRAINING ACCOUNT	LEAD HAZARD REDUCTION FUND	LIQUEFIED PETROLEUM GAS COMMISSION RAINY DAY FUND	LOTTERY PROCEEDS FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY	LOUISIANA ALARM REGULATORY TRUST FUND	LOUISIANA ALLIGATOR MARKET DEVELOPMENT FUND	LOUISIANA ALLIGATOR RESOURCE FUND
\$ 144,277	\$ 152	\$ 258	\$ 48,000	\$ 305	\$ --	\$ 86	\$ 2,090
--	--	--	--	--	--	--	--
8,250	--	103	10,785	729	3	--	4
--	--	--	--	--	--	--	--
<u>152,527</u>	<u>152</u>	<u>361</u>	<u>58,785</u>	<u>1,034</u>	<u>3</u>	<u>86</u>	<u>2,094</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
4,263	75	11	--	454	3	86	57
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>4,263</u>	<u>75</u>	<u>11</u>	<u>--</u>	<u>454</u>	<u>3</u>	<u>86</u>	<u>57</u>
--	--	--	--	--	--	--	--
--	--	100	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	825	--	--	--	--
<u>148,264</u>	<u>77</u>	<u>250</u>	<u>57,960</u>	<u>580</u>	<u>--</u>	<u>--</u>	<u>2,037</u>
<u>148,264</u>	<u>77</u>	<u>350</u>	<u>58,785</u>	<u>580</u>	<u>--</u>	<u>--</u>	<u>2,037</u>
<u>\$ 152,527</u>	<u>\$ 152</u>	<u>\$ 361</u>	<u>\$ 58,785</u>	<u>\$ 1,034</u>	<u>\$ 3</u>	<u>\$ 86</u>	<u>\$ 2,094</u>

LABOR WORKFORCE DEVELOPMENT TRAINING ACCOUNT	LEAD HAZARD REDUCTION FUND	LIQUEFIED PETROLEUM GAS COMMISSION RAINY DAY FUND	LOTTERY PROCEEDS FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY	LOUISIANA ALARM REGULATORY TRUST FUND	LOUISIANA ALLIGATOR MARKET DEVELOPMENT FUND	LOUISIANA ALLIGATOR RESOURCE FUND
\$ 51,312	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
3	--	--	384	--	--	--	--
--	--	--	--	--	--	--	--
<u>51,315</u>	<u>--</u>	<u>--</u>	<u>384</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>51,315</u>	<u>--</u>	<u>--</u>	<u>384</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	80	982	111,971	12,004	221	103	846
(22,725)	(75)	(882)	(125,998)	(12,154)	(408)	(290)	(1,264)
<u>(22,725)</u>	<u>5</u>	<u>100</u>	<u>(14,027)</u>	<u>(150)</u>	<u>(187)</u>	<u>(187)</u>	<u>(418)</u>
28,590	5	100	(13,643)	(150)	(187)	(187)	(418)
<u>119,674</u>	<u>72</u>	<u>250</u>	<u>72,428</u>	<u>730</u>	<u>187</u>	<u>187</u>	<u>2,455</u>
<u>\$ 148,264</u>	<u>\$ 77</u>	<u>\$ 350</u>	<u>\$ 58,785</u>	<u>\$ 580</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,037</u>

# State of Louisiana

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	LOUISIANA CHARTER SCHOOL START-UP LOAN FUND	LOUISIANA DUCK LICENSE, STAMP AND PRINT FUND	LOUISIANA ECONOMIC DEVELOPMENT FUND	LOUISIANA EMPLOYMENT OPPORTUNITY LOAN FUND	LOUISIANA ENVIRONMENTAL EDUCATION FUND
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 3,562	\$ 1,115	\$ 3,365	\$ --	\$ 293
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	66	--	6,388	3	5
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ 3,628</b>	<b>\$ 1,115</b>	<b>\$ 9,753</b>	<b>\$ 3</b>	<b>\$ 298</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	364	36	2,323	3	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
<b>TOTAL LIABILITIES</b>	<b>364</b>	<b>36</b>	<b>2,323</b>	<b>3</b>	<b>--</b>
<b>FUND BALANCES:</b>					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	25,034	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	718	--	--
UNDESIGNATED	3,264	1,079	(18,322)	--	298
<b>TOTAL FUND BALANCES</b>	<b>3,264</b>	<b>1,079</b>	<b>7,430</b>	<b>--</b>	<b>298</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 3,628</b>	<b>\$ 1,115</b>	<b>\$ 9,753</b>	<b>\$ 3</b>	<b>\$ 298</b>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	LOUISIANA CHARTER SCHOOL START-UP LOAN FUND	LOUISIANA DUCK LICENSE, STAMP AND PRINT FUND	LOUISIANA ECONOMIC DEVELOPMENT FUND	LOUISIANA EMPLOYMENT OPPORTUNITY LOAN FUND	LOUISIANA ENVIRONMENTAL EDUCATION FUND
<b>REVENUES:</b>					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	343	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL REVENUES</b>	<b>--</b>	<b>--</b>	<b>343</b>	<b>--</b>	<b>--</b>
<b>EXPENDITURES:</b>					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>343</b>	<b>--</b>	<b>--</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	166	739	36,904	32	107
TRANSFERS OUT	(517)	(675)	(29,817)	(649)	(25)
LONG-TERM DEBT ISSUED	--	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(351)</b>	<b>64</b>	<b>7,087</b>	<b>(617)</b>	<b>82</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(351)</b>	<b>64</b>	<b>7,430</b>	<b>(617)</b>	<b>82</b>
<b>FUND BALANCES AT BEGINNING OF YEAR AS RESTATED</b>	<b>3,615</b>	<b>1,015</b>	<b>--</b>	<b>617</b>	<b>216</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 3,264</b>	<b>\$ 1,079</b>	<b>\$ 7,430</b>	<b>\$ --</b>	<b>\$ 298</b>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

LOUISIANA FIRE MARSHAL FUND	LOUISIANA FUND	LOUISIANA FUR AND ALLIGATOR PUBLIC EDUCATION AND MARKETING FUND	LOUISIANA HELP OUR WILDLIFE FUND	LOUISIANA INVESTMENT FUND FOR ENHANCEMENT	LOUISIANA MANUFACTURED AND HOUSING COMMISSION FUND	LOUISIANA MEDICAL ASSISTANCE TRUST FUND	LOUISIANA QUALITY EDUCATION SUPPORT FUND
\$ 2,470	\$ 7,867	\$ 430	\$ 132	\$ 361	\$ 34	\$ 12,159	\$ 3,483
--	--	--	--	--	--	--	73,063
329	135	--	--	--	--	28,543	101
--	--	--	--	--	--	--	1,426
--	--	--	--	--	--	--	--
<u>\$ 2,799</u>	<u>\$ 8,002</u>	<u>\$ 430</u>	<u>\$ 132</u>	<u>\$ 361</u>	<u>\$ 34</u>	<u>\$ 40,702</u>	<u>\$ 78,073</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
--	1,214	3	--	--	7	--	12,037
--	5,764	--	--	--	--	--	14,482
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>6,978</u>	<u>3</u>	<u>--</u>	<u>--</u>	<u>7</u>	<u>--</u>	<u>26,519</u>
--	--	--	--	--	--	--	--
--	17	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	162	--	--	--	--	842	41,007
<u>2,799</u>	<u>845</u>	<u>427</u>	<u>132</u>	<u>361</u>	<u>27</u>	<u>39,860</u>	<u>10,547</u>
<u>2,799</u>	<u>1,024</u>	<u>427</u>	<u>132</u>	<u>361</u>	<u>27</u>	<u>40,702</u>	<u>51,554</u>
<u>\$ 2,799</u>	<u>\$ 8,002</u>	<u>\$ 430</u>	<u>\$ 132</u>	<u>\$ 361</u>	<u>\$ 34</u>	<u>\$ 40,702</u>	<u>\$ 78,073</u>

LOUISIANA FIRE MARSHAL FUND	LOUISIANA FUND	LOUISIANA FUR AND ALLIGATOR PUBLIC EDUCATION AND MARKETING FUND	LOUISIANA HELP OUR WILDLIFE FUND	LOUISIANA INVESTMENT FUND FOR ENHANCEMENT	LOUISIANA MANUFACTURED AND HOUSING COMMISSION FUND	LOUISIANA MEDICAL ASSISTANCE TRUST FUND	LOUISIANA QUALITY EDUCATION SUPPORT FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	122	--	--	--	--	483	40,966
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	1,220
<u>--</u>	<u>122</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>483</u>	<u>42,186</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	14,364	--	--	--	--	--	27,195
<u>--</u>	<u>14,364</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>27,195</u>
--	--	--	--	--	--	--	--
--	(14,242)	--	--	--	--	483	14,991
8,445 (5,646)	10,286 (15,059)	80 (23)	13 --	-- --	267 (277)	107,649 (156,243)	54,527 (30,531)
--	--	--	--	--	--	--	--
<u>2,799</u>	<u>(4,773)</u>	<u>57</u>	<u>13</u>	<u>--</u>	<u>(10)</u>	<u>(48,594)</u>	<u>23,996</u>
2,799	(19,015)	57	13	--	(10)	(48,111)	38,987
--	20,039	370	119	361	37	88,813	12,567
<u>\$ 2,799</u>	<u>\$ 1,024</u>	<u>\$ 427</u>	<u>\$ 132</u>	<u>\$ 361</u>	<u>\$ 27</u>	<u>\$ 40,702</u>	<u>\$ 51,554</u>



# State of Louisiana

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND	LOUISIANA STATE POLICE SALARY FUND	LOUISIANA TECHNOLOGY INNOVATIONS FUND	LOUISIANA TOURISM PROMOTION DISTRICT	LOUISIANA TOWING AND STORAGE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 4,369	\$ 6,821	\$ 4,712	\$ 7	\$ 5
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	2,070	--
DUE FROM OTHER FUNDS	645	6,161	--	949	175
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	<u>\$ 5,014</u>	<u>\$ 12,982</u>	<u>\$ 4,712</u>	<u>\$ 3,026</u>	<u>\$ 180</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	11,051	465	1,917	180
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	<u>--</u>	<u>11,051</u>	<u>465</u>	<u>1,917</u>	<u>180</u>
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	3,660	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	<u>5,014</u>	<u>1,931</u>	<u>587</u>	<u>1,109</u>	<u>--</u>
TOTAL FUND BALANCES	<u>5,014</u>	<u>1,931</u>	<u>4,247</u>	<u>1,109</u>	<u>--</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,014</u>	<u>\$ 12,982</u>	<u>\$ 4,712</u>	<u>\$ 3,026</u>	<u>\$ 180</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND	LOUISIANA STATE POLICE SALARY FUND	LOUISIANA TECHNOLOGY INNOVATIONS FUND	LOUISIANA TOURISM PROMOTION DISTRICT	LOUISIANA TOWING AND STORAGE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	18,194	--
USE OF MONEY AND PROPERTY	--	--	--	10	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	36	--
TOTAL REVENUES	<u>--</u>	<u>--</u>	<u>--</u>	<u>18,240</u>	<u>--</u>
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>18,240</u>	<u>--</u>
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	4,348	15,600	122	949	418
TRANSFERS OUT	(4,500)	(13,669)	(2,139)	(18,584)	(418)
LONG-TERM DEBT ISSUED	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>(152)</u>	<u>1,931</u>	<u>(2,017)</u>	<u>(17,635)</u>	<u>--</u>
NET CHANGE IN FUND BALANCES	(152)	1,931	(2,017)	605	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	<u>5,166</u>	<u>--</u>	<u>6,264</u>	<u>504</u>	<u>--</u>
FUND BALANCES AT END OF YEAR	<u>\$ 5,014</u>	<u>\$ 1,931</u>	<u>\$ 4,247</u>	<u>\$ 1,109</u>	<u>\$ --</u>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

LOUISIANA UNDERWATER OBSTRUCTION REMOVAL FUND	LOUISIANA WILD TURKEY STAMP FUND	LOUISIANA WORKER'S COMPENSATION SECOND INJURY FUND	MARKETING FUND	MARSH ISLAND OPERATING FUND	MEDICAL ASSISTANCE PROGRAMS FRAUD DETECTION FUND	MINERAL RESOURCES OPERATION FUND	MINERAL REVENUE AUDIT AND SETTLEMENT FUND
\$ 24	\$ 248	\$ 19,526	\$ 1,337	\$ 256	\$ 7	\$ 3,935	\$ 1,020
--	--	--	--	--	--	--	--
1	--	34	--	48	--	2,949	--
--	--	--	--	--	--	--	--
<u>\$ 25</u>	<u>\$ 248</u>	<u>\$ 19,560</u>	<u>\$ 1,337</u>	<u>\$ 304</u>	<u>\$ 7</u>	<u>\$ 6,884</u>	<u>\$ 1,020</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	2	--	427	304	--	219	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>2</u>	<u>--</u>	<u>427</u>	<u>304</u>	<u>--</u>	<u>219</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	19	--	--	470	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>25</u>	<u>246</u>	<u>19,560</u>	<u>891</u>	<u>--</u>	<u>7</u>	<u>6,195</u>	<u>1,020</u>
<u>25</u>	<u>246</u>	<u>19,560</u>	<u>910</u>	<u>--</u>	<u>7</u>	<u>6,665</u>	<u>1,020</u>
<u>\$ 25</u>	<u>\$ 248</u>	<u>\$ 19,560</u>	<u>\$ 1,337</u>	<u>\$ 304</u>	<u>\$ 7</u>	<u>\$ 6,884</u>	<u>\$ 1,020</u>

LOUISIANA UNDERWATER OBSTRUCTION REMOVAL FUND	LOUISIANA WILD TURKEY STAMP FUND	LOUISIANA WORKER'S COMPENSATION SECOND INJURY FUND	MARKETING FUND	MARSH ISLAND OPERATING FUND	MEDICAL ASSISTANCE PROGRAMS FRAUD DETECTION FUND	MINERAL RESOURCES OPERATION FUND	MINERAL REVENUE AUDIT AND SETTLEMENT FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	130	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>130</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>130</u>	<u>--</u>	<u>--</u>	<u>--</u>
251 (250)	61 (16)	34,564 (29,964)	2,417 (2,293)	527 (657)	243 (1,207)	5,025 (2,232)	67,343 (66,400)
--	--	--	--	--	--	--	--
<u>1</u>	<u>45</u>	<u>4,600</u>	<u>124</u>	<u>(130)</u>	<u>(964)</u>	<u>2,793</u>	<u>943</u>
1	45	4,600	124	--	(964)	2,793	943
24	201	14,960	786	--	971	3,872	77
<u>\$ 25</u>	<u>\$ 246</u>	<u>\$ 19,560</u>	<u>\$ 910</u>	<u>\$ --</u>	<u>\$ 7</u>	<u>\$ 6,665</u>	<u>\$ 1,020</u>

# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

### SPECIAL REVENUE FUNDS

	MOTOR CARRIER REGULATION FUND	MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND	MOTORCYCLE SAFETY AWARE- NESS AND OPERATOR TRAINING PROGRAM FUND	MUNICIPAL FIRE AND POLICE CIVIL SERVICE OPERATING FUND	NATURAL HERITAGE ACCOUNT
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 981	\$ 17,700	\$ 63	\$ --	\$ 319
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	67	2,034	4	12	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ 1,048</b>	<b>\$ 19,734</b>	<b>\$ 67</b>	<b>\$ 12</b>	<b>\$ 319</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	53	3,399	67	4	9
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
<b>TOTAL LIABILITIES</b>	<b>53</b>	<b>3,399</b>	<b>67</b>	<b>4</b>	<b>9</b>
<b>FUND BALANCES:</b>					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	8	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	250	--	--	--
UNDESIGNATED	995	16,085	--	--	310
<b>TOTAL FUND BALANCES</b>	<b>995</b>	<b>16,335</b>	<b>--</b>	<b>8</b>	<b>310</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,048</b>	<b>\$ 19,734</b>	<b>\$ 67</b>	<b>\$ 12</b>	<b>\$ 319</b>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	MOTOR CARRIER REGULATION FUND	MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND	MOTORCYCLE SAFETY AWARE- NESS AND OPERATOR TRAINING PROGRAM FUND	MUNICIPAL FIRE AND POLICE CIVIL SERVICE OPERATING FUND	NATURAL HERITAGE ACCOUNT
<b>REVENUES:</b>					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	105	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL REVENUES</b>	<b>--</b>	<b>105</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXPENDITURES:</b>					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>--</b>	<b>105</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	5,599	22,981	128	1,146	22
TRANSFERS OUT	(5,853)	(24,726)	(128)	(1,138)	(27)
LONG-TERM DEBT ISSUED	--	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(254)</b>	<b>(1,745)</b>	<b>--</b>	<b>8</b>	<b>(5)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(254)</b>	<b>(1,640)</b>	<b>--</b>	<b>8</b>	<b>(5)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR AS RESTATED</b>	<b>1,249</b>	<b>17,975</b>	<b>--</b>	<b>--</b>	<b>315</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 995</b>	<b>\$ 16,335</b>	<b>\$ --</b>	<b>\$ 8</b>	<b>\$ 310</b>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

NURSING HOME RESIDENTS' TRUST FUND	OFFICE OF MOTOR VEHICLES CUSTOMER SERVICE AND TECHNOLOGY FUND	OFFICE OF WORKER'S COMPENSATION ADMINISTRATIVE FUND	OIL AND GAS REGULATORY FUND	OIL SPILL CONTINGENCY FUND	OILFIELD SITE RESTORATION FUND	OYSTER DEVELOPMENT ACCOUNT	OYSTER SANITATION FUND
\$ 954	\$ 11,854	\$ 894	\$ 21	\$ 14,960	\$ 5,278	\$ 194	\$ 1
--	--	--	--	--	--	--	--
--	186	8	209	131	135	4	--
--	--	--	--	--	--	--	--
<u>\$ 954</u>	<u>\$ 12,040</u>	<u>\$ 902</u>	<u>\$ 230</u>	<u>\$ 15,091</u>	<u>\$ 5,413</u>	<u>\$ 198</u>	<u>\$ 1</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	1,131	1	20	167	651	52	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>1,131</u>	<u>1</u>	<u>20</u>	<u>167</u>	<u>651</u>	<u>52</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	1,461	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>954</u>	<u>9,448</u>	<u>901</u>	<u>210</u>	<u>14,924</u>	<u>4,762</u>	<u>146</u>	<u>1</u>
<u>954</u>	<u>10,909</u>	<u>901</u>	<u>210</u>	<u>14,924</u>	<u>4,762</u>	<u>146</u>	<u>1</u>
<u>\$ 954</u>	<u>\$ 12,040</u>	<u>\$ 902</u>	<u>\$ 230</u>	<u>\$ 15,091</u>	<u>\$ 5,413</u>	<u>\$ 198</u>	<u>\$ 1</u>

NURSING HOME RESIDENTS' TRUST FUND	OFFICE OF MOTOR VEHICLES CUSTOMER SERVICE AND TECHNOLOGY FUND	OFFICE OF WORKER'S COMPENSATION ADMINISTRATIVE FUND	OIL AND GAS REGULATORY FUND	OIL SPILL CONTINGENCY FUND	OILFIELD SITE RESTORATION FUND	OYSTER DEVELOPMENT ACCOUNT	OYSTER SANITATION FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
293	6,216	9,858	7,780	7,966	4,195	174	182
--	(6,235)	(9,855)	(7,987)	(2,415)	(4,024)	(232)	(181)
--	--	--	--	--	--	--	--
<u>293</u>	<u>(19)</u>	<u>3</u>	<u>(207)</u>	<u>5,551</u>	<u>171</u>	<u>(58)</u>	<u>1</u>
293	(19)	3	(207)	5,551	171	(58)	1
661	10,928	898	417	9,373	4,591	204	--
<u>\$ 954</u>	<u>\$ 10,909</u>	<u>\$ 901</u>	<u>\$ 210</u>	<u>\$ 14,924</u>	<u>\$ 4,762</u>	<u>\$ 146</u>	<u>\$ 1</u>

# State of Louisiana

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	PARI-MUTUEL LIVE RACING FACILITY GAMING CONTROL FUND	PARISH AND MUNICIPALITIES EXCELLENCE FUND	PARISH AND MUNICIPALITIES FUND	PARISH ROYALTY FUND	PATIENT'S COMPENSATION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 4,405	\$ 1,276	\$ 7,076	\$ 13,048	\$ 92,987
INVESTMENTS	--	--	--	--	82,249
RECEIVABLES (NET)	--	--	--	6,770	--
DUE FROM OTHER FUNDS	1,282	121	5,636	--	5,552
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	<u>\$ 5,687</u>	<u>\$ 1,397</u>	<u>\$ 12,712</u>	<u>\$ 19,818</u>	<u>\$ 180,788</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	--
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	5,687	--	11,447	--	4,245
AMOUNTS DUE TO COMPONENT UNITS	--	--	20	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	19,818	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	<u>5,687</u>	<u>--</u>	<u>11,467</u>	<u>19,818</u>	<u>4,245</u>
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	119	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	2,490
UNDESIGNATED	--	1,397	1,126	--	174,053
TOTAL FUND BALANCES	<u>--</u>	<u>1,397</u>	<u>1,245</u>	<u>--</u>	<u>176,543</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,687</u>	<u>\$ 1,397</u>	<u>\$ 12,712</u>	<u>\$ 19,818</u>	<u>\$ 180,788</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	PARI-MUTUEL LIVE RACING FACILITY GAMING CONTROL FUND	PARISH AND MUNICIPALITIES EXCELLENCE FUND	PARISH AND MUNICIPALITIES FUND	PARISH ROYALTY FUND	PATIENT'S COMPENSATION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	--
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	36,406	1,640
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	<u>--</u>	<u>--</u>	<u>--</u>	<u>36,406</u>	<u>1,640</u>
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	37,020	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	500	--	7,209	--	--
TOTAL EXPENDITURES	<u>500</u>	<u>--</u>	<u>7,209</u>	<u>37,020</u>	<u>--</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(500)</u>	<u>--</u>	<u>(7,209)</u>	<u>(614)</u>	<u>1,640</u>
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	20,421	1,021	29,663	614	117,418
TRANSFERS OUT	(19,921)	--	(27,521)	--	(79,219)
LONG-TERM DEBT ISSUED	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>500</u>	<u>1,021</u>	<u>2,142</u>	<u>614</u>	<u>38,199</u>
NET CHANGE IN FUND BALANCES	<u>--</u>	<u>1,021</u>	<u>(5,067)</u>	<u>--</u>	<u>39,839</u>
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	<u>--</u>	<u>376</u>	<u>6,312</u>	<u>--</u>	<u>136,704</u>
FUND BALANCES AT END OF YEAR	<u>\$ --</u>	<u>\$ 1,397</u>	<u>\$ 1,245</u>	<u>\$ --</u>	<u>\$ 176,543</u>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

PESTICIDE FUND	PETROLEUM AND PETROLEUM PRODUCTS FUND	PROPRIETARY SCHOOL STUDENTS PROTECTION FUND	PUBLIC SAFETY COMPLEX FUND	PUBLIC SAFETY DWI TESTING, MAINTENANCE, AND TRAINING FUND	QUAIL ACCOUNT	REHABILITATION FOR THE BLIND AND VISUALLY IMPAIRED FUND	REPTILE AND AMPHIBIAN RESEARCH FUND
\$ 243	\$ 60	\$ 1,390	\$ 6,541	\$ 735	\$ 18	\$ 1,000	\$ 14
--	--	--	--	--	--	--	--
25	--	--	--	--	--	--	--
13	166	11	--	5	--	--	--
--	--	--	--	--	--	--	--
<u>281</u>	<u>226</u>	<u>1,401</u>	<u>6,541</u>	<u>740</u>	<u>18</u>	<u>1,000</u>	<u>14</u>
\$ 223	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
13	152	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>236</u>	<u>152</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
45	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	722	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>74</u>	<u>679</u>	<u>6,541</u>	<u>740</u>	<u>18</u>	<u>1,000</u>	<u>14</u>
<u>45</u>	<u>74</u>	<u>1,401</u>	<u>6,541</u>	<u>740</u>	<u>18</u>	<u>1,000</u>	<u>14</u>
<u>\$ 281</u>	<u>\$ 226</u>	<u>\$ 1,401</u>	<u>\$ 6,541</u>	<u>\$ 740</u>	<u>\$ 18</u>	<u>\$ 1,000</u>	<u>\$ 14</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
3	--	--	--	--	--	--	--
318	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>321</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
6	--	--	--	--	--	--	--
<u>281</u>	<u>--</u>	<u>6</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>287</u>	<u>--</u>	<u>6</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>34</u>	<u>--</u>	<u>(6)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
3,352	835	50	--	493	6	1,000	10
(3,352)	(940)	--	--	(358)	--	--	(5)
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>(105)</u>	<u>50</u>	<u>--</u>	<u>135</u>	<u>6</u>	<u>1,000</u>	<u>5</u>
34	(105)	44	--	135	6	1,000	5
11	179	1,357	6,541	605	12	--	9
<u>45</u>	<u>74</u>	<u>1,401</u>	<u>6,541</u>	<u>740</u>	<u>18</u>	<u>1,000</u>	<u>14</u>

# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	SPECIAL REVENUE FUNDS				
	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	RIGHT TO KNOW FUND	RISK MANAGEMENT INSURANCE PREMIUM PAYMENT FUND	RIVERBOAT GAMING ENFORCEMENT FUND	ROCKEFELLER REFUGE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ --	\$ 9	\$ --	\$ 5,626	\$ 13,171
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	657
DUE FROM OTHER FUNDS	--	--	--	4,329	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	<u>\$ --</u>	<u>\$ 9</u>	<u>\$ --</u>	<u>\$ 9,955</u>	<u>\$ 13,828</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	--
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	9	--	8,225	1,413
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	<u>--</u>	<u>9</u>	<u>--</u>	<u>8,225</u>	<u>1,413</u>
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	436	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	129
UNDESIGNATED	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,294</u>	<u>12,286</u>
TOTAL FUND BALANCES	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,730</u>	<u>12,415</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ --</u>	<u>\$ 9</u>	<u>\$ --</u>	<u>\$ 9,955</u>	<u>\$ 13,828</u>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	RIGHT TO KNOW FUND	RISK MANAGEMENT INSURANCE PREMIUM PAYMENT FUND	RIVERBOAT GAMING ENFORCEMENT FUND	ROCKEFELLER REFUGE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	--
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	2,349
LICENSES, PERMITS, AND FEES	33,547	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	15
TOTAL REVENUES	<u>33,547</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,364</u>
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	33,547	--	--	--	--
TOTAL EXPENDITURES	<u>33,547</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,364</u>
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	--	198	--	55,956	--
TRANSFERS OUT	--	(198)	(5,750)	(55,646)	(3,373)
LONG-TERM DEBT ISSUED	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	<u>--</u>	<u>--</u>	<u>(5,750)</u>	<u>310</u>	<u>(3,373)</u>
NET CHANGE IN FUND BALANCES	<u>--</u>	<u>--</u>	<u>(5,750)</u>	<u>310</u>	<u>(1,009)</u>
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	<u>--</u>	<u>--</u>	<u>5,750</u>	<u>1,420</u>	<u>13,424</u>
FUND BALANCES AT END OF YEAR	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,730</u>	<u>\$ 12,415</u>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

ROCKEFELLER WILDLIFE REFUGE TRUST AND PROTECTION FUND	RURAL DEVELOPMENT LOAN FUND	RUSSELL SAGE OR MARSH ISLAND CAPITAL IMPROVEMENT FUND	RUSSELL SAGE OR MARSH ISLAND REFUGE FUND	RUSSELL SAGE SPECIAL FUND NO. 2	SALTWATER FISHERY ENFORCEMENT FUND	SAVINGS ENHANCEMENT FUND	SCENIC RIVERS FUND
\$ 1,954	\$ 8,496	\$ 1,363	\$ 669	\$ 1,930	\$ 806	\$ 16	\$ 16
43,779	--	--	11,133	--	--	2,197	--
--	--	--	--	--	--	--	--
33	--	--	293	6	--	--	--
--	--	--	--	--	--	--	--
<u>45,766</u>	<u>8,496</u>	<u>1,363</u>	<u>12,095</u>	<u>1,936</u>	<u>806</u>	<u>2,213</u>	<u>16</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	1,294	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>1,294</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	101	--
<u>45,766</u>	<u>7,202</u>	<u>1,363</u>	<u>12,095</u>	<u>1,936</u>	<u>806</u>	<u>2,112</u>	<u>16</u>
<u>45,766</u>	<u>7,202</u>	<u>1,363</u>	<u>12,095</u>	<u>1,936</u>	<u>806</u>	<u>2,213</u>	<u>16</u>
<u>\$ 45,766</u>	<u>\$ 8,496</u>	<u>\$ 1,363</u>	<u>\$ 12,095</u>	<u>\$ 1,936</u>	<u>\$ 806</u>	<u>\$ 2,213</u>	<u>\$ 16</u>

ROCKEFELLER WILDLIFE REFUGE TRUST AND PROTECTION FUND	RURAL DEVELOPMENT LOAN FUND	RUSSELL SAGE OR MARSH ISLAND CAPITAL IMPROVEMENT FUND	RUSSELL SAGE OR MARSH ISLAND REFUGE FUND	RUSSELL SAGE SPECIAL FUND NO. 2	SALTWATER FISHERY ENFORCEMENT FUND	SAVINGS ENHANCEMENT FUND	SCENIC RIVERS FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
3,031	--	--	841	37	--	61	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	372	--
<u>3,031</u>	<u>--</u>	<u>--</u>	<u>841</u>	<u>37</u>	<u>--</u>	<u>433</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	27	--
--	--	--	--	--	--	27	--
<u>3,031</u>	<u>--</u>	<u>--</u>	<u>841</u>	<u>37</u>	<u>--</u>	<u>406</u>	<u>--</u>
104	8,587	26	293	6	27	99	2
(584)	(7,645)	--	(527)	--	--	--	(2)
--	--	--	--	--	--	--	--
<u>(480)</u>	<u>942</u>	<u>26</u>	<u>(234)</u>	<u>6</u>	<u>27</u>	<u>99</u>	<u>--</u>
2,551	942	26	607	43	27	505	--
<u>43,215</u>	<u>6,260</u>	<u>1,337</u>	<u>11,488</u>	<u>1,893</u>	<u>779</u>	<u>1,708</u>	<u>16</u>
<u>\$ 45,766</u>	<u>\$ 7,202</u>	<u>\$ 1,363</u>	<u>\$ 12,095</u>	<u>\$ 1,936</u>	<u>\$ 806</u>	<u>\$ 2,213</u>	<u>\$ 16</u>



# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

### SPECIAL REVENUE FUNDS

	SCHOOL AND DISTRICT ACCOUNTABILITY REWARDS FUND	SEAFOOD PROMOTION AND MARKETING FUND	SECTION 201 PETITION FUND	SEVERANCE TAX FUND	SEX OFFENDER REGISTRY TECHNOLOGY FUND
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 268	\$ 81	\$ --	\$ --	\$ 161
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	65	--
DUE FROM OTHER FUNDS	--	1	--	10,943	10
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ 268</b>	<b>\$ 82</b>	<b>\$ --</b>	<b>\$ 11,008</b>	<b>\$ 171</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	14	--	108	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	10,900	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
<b>TOTAL LIABILITIES</b>	<b>--</b>	<b>14</b>	<b>--</b>	<b>11,008</b>	<b>--</b>
<b>FUND BALANCES:</b>					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	268	68	--	--	171
<b>TOTAL FUND BALANCES</b>	<b>268</b>	<b>68</b>	<b>--</b>	<b>--</b>	<b>171</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 268</b>	<b>\$ 82</b>	<b>\$ --</b>	<b>\$ 11,008</b>	<b>\$ 171</b>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	SCHOOL AND DISTRICT ACCOUNTABILITY REWARDS FUND	SEAFOOD PROMOTION AND MARKETING FUND	SECTION 201 PETITION FUND	SEVERANCE TAX FUND	SEX OFFENDER REGISTRY TECHNOLOGY FUND
<b>REVENUES:</b>					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL REVENUES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXPENDITURES:</b>					
INTERGOVERNMENTAL	--	--	--	35,639	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>35,639</b>	<b>--</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(35,639)</b>	<b>--</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	6	364	--	35,639	157
TRANSFERS OUT	--	(490)	(48)	--	--
LONG-TERM DEBT ISSUED	--	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>6</b>	<b>(126)</b>	<b>(48)</b>	<b>35,639</b>	<b>157</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>6</b>	<b>(126)</b>	<b>(48)</b>	<b>--</b>	<b>157</b>
<b>FUND BALANCES AT BEGINNING OF YEAR AS RESTATED</b>	<b>262</b>	<b>194</b>	<b>48</b>	<b>--</b>	<b>14</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 268</b>	<b>\$ 68</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 171</b>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

SHRIMP MARKETING AND PROMOTION ACCOUNT	SMALL BUSINESS SURETY BONDING FUND	SPORTS FACILITY ASSISTANCE FUND	STATE HIGHWAY FUND # 2	STATE PARKS LAND ACQUISITION TRUST FUND	STATE REVENUE SHARING FUND	STRUCTURAL PEST CONTROL COMMISSION FUND	SUPPORT EDUCATION IN LOUISIANA FIRST FUND
\$ 396	\$ 921	\$ --	\$ 9,265	\$ --	\$ --	\$ 17	\$ 7,780
--	--	--	1,057	--	--	--	--
--	25	--	--	--	--	92	1,913
--	--	--	--	--	--	--	--
<u>\$ 396</u>	<u>\$ 946</u>	<u>\$ --</u>	<u>\$ 10,322</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 109</u>	<u>\$ 9,693</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
11	54	--	--	--	--	2	1
--	--	--	10,322	--	--	--	4,841
--	--	--	--	--	--	--	--
<u>11</u>	<u>54</u>	<u>--</u>	<u>10,322</u>	<u>--</u>	<u>--</u>	<u>2</u>	<u>4,842</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	525
<u>385</u>	<u>892</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>107</u>	<u>4,326</u>
<u>385</u>	<u>892</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>107</u>	<u>4,851</u>
<u>\$ 396</u>	<u>\$ 946</u>	<u>\$ --</u>	<u>\$ 10,322</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 109</u>	<u>\$ 9,693</u>
SHRIMP MARKETING AND PROMOTION ACCOUNT	SMALL BUSINESS SURETY BONDING FUND	SPORTS FACILITY ASSISTANCE FUND	STATE HIGHWAY FUND # 2	STATE PARKS LAND ACQUISITION TRUST FUND	STATE REVENUE SHARING FUND	STRUCTURAL PEST CONTROL COMMISSION FUND	SUPPORT EDUCATION IN LOUISIANA FIRST FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	297
--	--	--	9,027	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>9,027</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>297</u>
--	--	--	9,027	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	676	--	--	--	--	38,265
--	--	676	9,027	--	--	--	38,265
--	--	(676)	--	--	--	--	(37,968)
126	293	676	--	1	90,000	689	125,880
(74)	(426)	--	--	(20)	(90,000)	(1,523)	(91,528)
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>52</u>	<u>(133)</u>	<u>676</u>	<u>--</u>	<u>(19)</u>	<u>--</u>	<u>(834)</u>	<u>34,352</u>
52	(133)	--	--	(19)	--	(834)	(3,616)
<u>333</u>	<u>1,025</u>	<u>--</u>	<u>--</u>	<u>19</u>	<u>--</u>	<u>941</u>	<u>8,467</u>
<u>\$ 385</u>	<u>\$ 892</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 107</u>	<u>\$ 4,851</u>

# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2003

### SPECIAL REVENUE FUNDS

(EXPRESSED IN THOUSANDS)

	TAX COMMISSION EXPENSE FUND	TEACHER PREPARATION LOAN FUND	TELECOMMUN- ICATIONS FOR THE DEAF FUND	TELEPHONE COMPANY PROPERTY ASSESSMENT RELIEF FUND	TIDELANDS FUND
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 170	\$ --	\$ 6,846	\$ 30,434	\$ 4
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	51	--	24	4,540	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ 221</b>	<b>\$ --</b>	<b>\$ 6,870</b>	<b>\$ 34,974</b>	<b>\$ 4</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	71	--	252	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
<b>TOTAL LIABILITIES</b>	<b>71</b>	<b>--</b>	<b>252</b>	<b>--</b>	<b>--</b>
<b>FUND BALANCES:</b>					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	134	--
UNDESIGNATED	150	--	6,618	34,840	4
<b>TOTAL FUND BALANCES</b>	<b>150</b>	<b>--</b>	<b>6,618</b>	<b>34,974</b>	<b>4</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 221</b>	<b>\$ --</b>	<b>\$ 6,870</b>	<b>\$ 34,974</b>	<b>\$ 4</b>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	TAX COMMISSION EXPENSE FUND	TEACHER PREPARATION LOAN FUND	TELECOMMUN- ICATIONS FOR THE DEAF FUND	TELEPHONE COMPANY PROPERTY ASSESSMENT RELIEF FUND	TIDELANDS FUND
<b>REVENUES:</b>					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	201	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL REVENUES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>201</b>	<b>--</b>
<b>EXPENDITURES:</b>					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>201</b>	<b>--</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	506	4	1,283	28,365	--
TRANSFERS OUT	(462)	(220)	(1,872)	(28,946)	--
LONG-TERM DEBT ISSUED	--	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>44</b>	<b>(216)</b>	<b>(589)</b>	<b>(581)</b>	<b>--</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>44</b>	<b>(216)</b>	<b>(589)</b>	<b>(380)</b>	<b>--</b>
<b>FUND BALANCES AT BEGINNING OF YEAR AS RESTATED</b>	<b>106</b>	<b>216</b>	<b>7,207</b>	<b>35,354</b>	<b>4</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 150</b>	<b>\$ --</b>	<b>\$ 6,618</b>	<b>\$ 34,974</b>	<b>\$ 4</b>

(Continued)

# State of Louisiana

## SPECIAL REVENUE FUNDS

TOBACCO TAX HEALTH CARE FUND	TRANSPORTATION TRUST FUND	TRAUMATIC HEAD AND SPINAL CORD INJURY TRUST FUND	TRIAL COURT CASE MANAGEMENT INFORMATION FUND	UTILITY AND CARRIER INSPECTION AND SUPERVISION FUND	VIDEO DRAW POKER DEVICE FUND	VIDEO DRAW POKER DEVICE PURSE SUPPLEMENT FUND	VITAL RECORDS CONVERSION FUND
\$ 5,354	\$ 179,282	\$ 5,724	\$ 3,463	\$ 6,542	\$ 3,472	\$ 2,691	\$ 19
--	--	--	--	--	--	--	--
7,305	90,430	13	--	1,174	8,456	119	1
--	64,504	--	--	--	--	--	--
<u>12,659</u>	<u>334,216</u>	<u>5,737</u>	<u>3,463</u>	<u>7,716</u>	<u>11,928</u>	<u>2,810</u>	<u>20</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
3,979	95,349	213	--	--	11,928	--	--
2,101	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>6,080</u>	<u>95,349</u>	<u>213</u>	<u>--</u>	<u>--</u>	<u>11,928</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	11,016	--	--	--	--	--	--
--	179,254	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	2,283	--	--	--	--	--	--
<u>6,579</u>	<u>46,314</u>	<u>5,524</u>	<u>3,463</u>	<u>7,716</u>	<u>--</u>	<u>2,810</u>	<u>20</u>
<u>6,579</u>	<u>238,867</u>	<u>5,524</u>	<u>3,463</u>	<u>7,716</u>	<u>--</u>	<u>2,810</u>	<u>20</u>
<u>\$ 12,659</u>	<u>\$ 334,216</u>	<u>\$ 5,737</u>	<u>\$ 3,463</u>	<u>\$ 7,716</u>	<u>\$ 11,928</u>	<u>\$ 2,810</u>	<u>\$ 20</u>
\$ --	\$ 500,621	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	953	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>--</u>	<u>501,574</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
15,103	--	--	--	--	--	--	--
<u>15,103</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>(15,103)</u>	<u>501,574</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
30,722	493,997	1,542	1,323	7,201	172,007	2,810	11
(9,040)	(1,001,408)	(778)	(1,695)	(5,084)	(172,007)	(2,719)	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>21,682</u>	<u>(507,411)</u>	<u>764</u>	<u>(372)</u>	<u>2,117</u>	<u>--</u>	<u>91</u>	<u>11</u>
6,579	(5,837)	764	(372)	2,117	--	91	11
--	244,704	4,760	3,835	5,599	--	2,719	9
<u>6,579</u>	<u>238,867</u>	<u>5,524</u>	<u>3,463</u>	<u>7,716</u>	<u>--</u>	<u>2,810</u>	<u>20</u>

# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2003

### SPECIAL REVENUE FUNDS

(EXPRESSED IN THOUSANDS)

	WASTE TIRE MANAGEMENT FUND	WATERFOWL ACCOUNT	WETLANDS CONSERVATION AND RESTORATION FUND	WHITE TAIL DEER ACCOUNT	WILDLIFE HABITAT AND NATURAL HERITAGE TRUST FUND
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 238	\$ 48	\$ 76,899	\$ 6	\$ 1,068
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	718	1	30,160	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
<b>TOTAL ASSETS</b>	<b>\$ 956</b>	<b>\$ 49</b>	<b>\$ 107,059</b>	<b>\$ 6</b>	<b>\$ 1,068</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	440	--	--	--	53
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
<b>TOTAL LIABILITIES</b>	<b>440</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>53</b>
<b>FUND BALANCES:</b>					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	30,543	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	1,136	--	--
UNDESIGNATED	516	49	75,380	6	1,015
<b>TOTAL FUND BALANCES</b>	<b>516</b>	<b>49</b>	<b>107,059</b>	<b>6</b>	<b>1,015</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 956</b>	<b>\$ 49</b>	<b>\$ 107,059</b>	<b>\$ 6</b>	<b>\$ 1,068</b>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	WASTE TIRE MANAGEMENT FUND	WATERFOWL ACCOUNT	WETLANDS CONSERVATION AND RESTORATION FUND	WHITE TAIL DEER ACCOUNT	WILDLIFE HABITAT AND NATURAL HERITAGE TRUST FUND
<b>REVENUES:</b>					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	489	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	8
<b>TOTAL REVENUES</b>	<b>--</b>	<b>--</b>	<b>489</b>	<b>--</b>	<b>8</b>
<b>EXPENDITURES:</b>					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
<b>TOTAL EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>--</b>	<b>--</b>	<b>489</b>	<b>--</b>	<b>8</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	8,105	14	29,317	5	1,071
TRANSFERS OUT	(9,198)	--	(25,161)	--	(1,135)
LONG-TERM DEBT ISSUED	--	--	--	--	--
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,093)</b>	<b>14</b>	<b>4,156</b>	<b>5</b>	<b>(64)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,093)</b>	<b>14</b>	<b>4,645</b>	<b>5</b>	<b>(56)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR AS RESTATED</b>	<b>1,609</b>	<b>35</b>	<b>102,414</b>	<b>1</b>	<b>1,071</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 516</b>	<b>\$ 49</b>	<b>\$ 107,059</b>	<b>\$ 6</b>	<b>\$ 1,015</b>

(Continued)

# State of Louisiana

SPECIAL REVENUE FUNDS		DEBT SERVICE FUNDS			CAPITAL PROJECTS	PERMANENT FUNDS	
YOUTHFUL OFFENDER MANAGEMENT FUND	TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2003	PARISH ROYALTY SINKING FUND	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2003	CAPITAL OUTLAY ESCROW FUND	EDUCATION EXCELLENCE FUND	FULLER-EDWARDS ARBORETUM TRUST FUND
\$ 1,500	\$ 1,160,707	\$ --	\$ 488,927	\$ 488,927	\$ 430,245	\$ 132,918	\$ 182
--	233,349	--	33,842	33,842	78,146	372,819	--
--	20,647	--	15,998	15,998	1,585	44	--
2	255,872	--	6,134	6,134	94,651	--	--
--	64,504	--	--	--	3,164	--	--
--	--	--	--	--	--	--	--
<u>\$ 1,502</u>	<u>\$ 1,735,079</u>	<u>\$ --</u>	<u>\$ 544,901</u>	<u>\$ 544,901</u>	<u>\$ 607,791</u>	<u>\$ 505,781</u>	<u>\$ 182</u>
\$ --	\$ 2,275	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	125,418	--	--
--	206,996	--	12,640	12,640	4,954	--	--
--	28,094	--	--	--	--	--	--
--	41,040	--	--	--	--	--	--
--	--	--	24,979	24,979	--	--	--
--	--	--	--	--	--	--	--
--	278,405	--	37,619	37,619	130,372	--	--
--	--	--	--	--	--	--	--
--	689	--	26,422	26,422	--	--	--
--	73,757	--	--	--	--	--	--
--	182,064	--	--	--	--	--	--
--	--	--	478,001	478,001	477,053	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	100
--	722	--	--	--	--	129,671	--
--	--	--	--	--	--	--	--
--	56,529	--	2,859	2,859	366	20,002	--
--	--	--	--	--	--	--	--
<u>1,502</u>	<u>1,142,913</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>356,108</u>	<u>82</u>
<u>1,502</u>	<u>1,456,674</u>	<u>--</u>	<u>507,282</u>	<u>507,282</u>	<u>477,419</u>	<u>505,781</u>	<u>182</u>
<u>\$ 1,502</u>	<u>\$ 1,735,079</u>	<u>\$ --</u>	<u>\$ 544,901</u>	<u>\$ 544,901</u>	<u>\$ 607,791</u>	<u>\$ 505,781</u>	<u>\$ 182</u>
\$ --	\$ 500,621	\$ --	\$ --	\$ --	\$ 45,640	\$ --	\$ --
--	75,213	--	54,060	54,060	--	--	--
--	92,670	--	2,734	2,734	2,397	17,652	3
--	45,134	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	2,099	--	--	--	750	8,007	--
--	715,737	--	56,794	56,794	48,787	25,659	3
--	--	--	--	--	--	--	--
--	81,686	--	--	--	--	--	--
--	--	--	--	--	1,159,534	--	--
--	--	--	--	--	--	--	--
--	275	--	34,504	34,504	--	--	--
--	75	--	19,555	19,555	--	--	--
--	160,556	--	--	--	--	--	--
--	242,592	--	54,059	54,059	1,159,534	--	--
--	--	--	--	--	--	--	--
--	473,145	--	2,735	2,735	(1,110,747)	25,659	3
--	--	--	--	--	--	--	--
218	2,013,988	--	63,968	63,968	884,167	35,921	--
--	(2,605,655)	(614)	(117,062)	(117,676)	(20,877)	(9,185)	--
--	--	--	277,369	277,369	290,790	--	--
--	--	--	--	--	--	--	--
<u>218</u>	<u>(591,667)</u>	<u>(614)</u>	<u>224,275</u>	<u>223,661</u>	<u>1,154,080</u>	<u>26,736</u>	<u>--</u>
--	--	--	--	--	--	--	--
218	(118,522)	(614)	227,010	226,396	43,333	52,395	3
<u>1,284</u>	<u>1,575,196</u>	<u>614</u>	<u>280,272</u>	<u>280,886</u>	<u>434,086</u>	<u>453,386</u>	<u>179</u>
<u>\$ 1,502</u>	<u>\$ 1,456,674</u>	<u>\$ --</u>	<u>\$ 507,282</u>	<u>\$ 507,282</u>	<u>\$ 477,419</u>	<u>\$ 505,781</u>	<u>\$ 182</u>

# State of Louisiana

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2003

	PERMANENT FUNDS					
(EXPRESSED IN THOUSANDS)	HEALTH EXCELLENCE FUND	W. R. IRBY BEQUEST FUND	LIFETIME LICENSE ENDOWMENT TRUST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2003	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>ASSETS</b>						
CASH AND CASH EQUIVALENTS	\$ 4,297	\$ 2,487	\$ 10,686	\$ 3,577	\$ 154,147	\$ 2,234,026
INVESTMENTS	372,819	--	--	372,819	1,118,457	1,463,794
RECEIVABLES (NET)	--	--	--	--	44	38,274
DUE FROM OTHER FUNDS	--	--	22	--	22	356,679
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--	64,504
OTHER ASSETS	--	--	--	--	--	3,164
<b>TOTAL ASSETS</b>	<b>\$ 377,116</b>	<b>\$ 2,487</b>	<b>\$ 10,708</b>	<b>\$ 376,396</b>	<b>\$ 1,272,670</b>	<b>\$ 4,160,441</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ 1	\$ --	\$ --	\$ 1	\$ 2,276
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--	125,418
DUE TO OTHER FUNDS	59	--	--	2,031	2,090	226,680
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--	28,094
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--	41,040
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--	24,979
OTHER LIABILITIES	--	54	--	--	54	54
<b>TOTAL LIABILITIES</b>	<b>59</b>	<b>55</b>	<b>--</b>	<b>2,031</b>	<b>2,145</b>	<b>448,541</b>
<b>FUND BALANCES:</b>						
RESERVED FOR:						
DEBT SERVICE	--	--	--	--	--	27,111
ENCUMBRANCES	--	--	--	--	--	73,757
CONTINUING PROJECTS	--	--	--	--	--	182,084
CONSTRUCTION	--	--	--	--	--	955,054
BUILDING TRUST	--	1,610	--	--	1,610	1,610
TRUST PRINCIPAL	--	--	10,708	--	10,808	10,808
OTHER	--	245	--	--	129,916	130,638
<b>UNRESERVED:</b>						
DESIGNATED FOR:						
OTHER	19,525	--	--	19,524	59,051	118,805
<b>UNDESIGNATED</b>	<b>357,532</b>	<b>577</b>	<b>--</b>	<b>354,841</b>	<b>1,069,140</b>	<b>2,212,053</b>
<b>TOTAL FUND BALANCES</b>	<b>377,057</b>	<b>2,432</b>	<b>10,708</b>	<b>374,365</b>	<b>1,270,525</b>	<b>3,711,900</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 377,116</b>	<b>\$ 2,487</b>	<b>\$ 10,708</b>	<b>\$ 376,396</b>	<b>\$ 1,272,670</b>	<b>\$ 4,160,441</b>

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

### NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)	HEALTH EXCELLENCE FUND	W. R. IRBY BEQUEST FUND	LIFETIME LICENSE ENDOWMENT TRUST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2003	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>REVENUES:</b>						
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 546,261
TAXES	--	--	--	--	--	129,273
USE OF MONEY AND PROPERTY	15,133	1,236	--	15,132	49,156	146,957
LICENSES, PERMITS, AND FEES	--	--	--	--	--	45,134
SALES OF COMMODITIES AND SERVICES	--	25	--	--	25	25
OTHER	--	1	--	--	8,008	10,857
<b>TOTAL REVENUES</b>	<b>15,133</b>	<b>1,262</b>	<b>--</b>	<b>15,132</b>	<b>57,189</b>	<b>878,507</b>
<b>EXPENDITURES:</b>						
INTERGOVERNMENTAL	--	--	--	--	--	81,686
CAPITAL OUTLAY	--	--	--	--	--	1,159,534
DEBT SERVICE:						
PRINCIPAL RETIREMENT	--	--	--	--	--	34,779
INTEREST AND FISCAL CHARGES	--	--	--	--	--	19,630
OTHER	247	981	--	--	1,228	161,784
<b>TOTAL EXPENDITURES</b>	<b>247</b>	<b>981</b>	<b>--</b>	<b>--</b>	<b>1,228</b>	<b>1,457,413</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>14,886</b>	<b>281</b>	<b>--</b>	<b>15,132</b>	<b>55,961</b>	<b>(578,906)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
TRANSFERS IN	29,494	--	1,230	29,494	96,139	3,058,262
TRANSFERS OUT	(12,510)	--	--	(13,694)	(35,389)	(2,779,597)
LONG-TERM DEBT ISSUED	--	--	--	--	--	568,159
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>16,984</b>	<b>--</b>	<b>1,230</b>	<b>15,800</b>	<b>60,750</b>	<b>846,824</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>31,870</b>	<b>281</b>	<b>1,230</b>	<b>30,932</b>	<b>116,711</b>	<b>267,918</b>
<b>FUND BALANCES AT BEGINNING OF YEAR AS RESTATED</b>	<b>345,187</b>	<b>2,151</b>	<b>9,478</b>	<b>343,433</b>	<b>1,153,814</b>	<b>3,443,982</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 377,057</b>	<b>\$ 2,432</b>	<b>\$ 10,708</b>	<b>\$ 374,365</b>	<b>\$ 1,270,525</b>	<b>\$ 3,711,900</b>

(Concluded)





# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA OFFICE BUILDING CORPORATION
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$ 22,783	\$ 3,876	\$ 5,803	\$ 793	\$ 3,636
INVESTMENTS	2,019	--	--	--	--
RECEIVABLES (NET)	872	342	14	205	--
DUE FROM OTHER FUNDS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
INVENTORIES (AT COST)	10	--	--	97	--
PREPAYMENTS	24	--	--	--	--
NOTES RECEIVABLE	--	1,863	--	--	--
OTHER CURRENT ASSETS	49	--	2,518	--	--
<b>TOTAL CURRENT ASSETS</b>	<b>25,757</b>	<b>6,081</b>	<b>8,335</b>	<b>1,095</b>	<b>3,636</b>
<b>NONCURRENT ASSETS:</b>					
<b>RESTRICTED ASSETS</b>					
CASH	1,230	--	--	--	--
INVESTMENTS	--	--	--	--	--
RECEIVABLES	35	--	--	--	--
NOTES RECEIVABLE	--	30,601	--	--	--
<b>CAPITAL ASSETS (NOTE 5)</b>					
LAND	298	--	2,519	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	1,224	--	--	14	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	487	--	--	34	--
CONSTRUCTION IN PROGRESS	--	--	--	--	--
OTHER NONCURRENT ASSETS	119	--	--	--	--
<b>TOTAL NONCURRENT ASSETS</b>	<b>3,393</b>	<b>30,601</b>	<b>2,519</b>	<b>48</b>	<b>--</b>
<b>TOTAL ASSETS</b>	<b>\$ 29,150</b>	<b>\$ 36,682</b>	<b>\$ 10,854</b>	<b>\$ 1,143</b>	<b>\$ 3,636</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ 1,327	\$ --	\$ --	\$ 25	\$ 1,091
DUE TO OTHER FUNDS	--	--	--	--	--
DEFERRED REVENUES	205	--	--	--	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	1,508	--	--	--	--
OTHER CURRENT LIABILITIES	98	--	66	--	--
<b>CURRENT PORTION OF LONG-TERM LIABILITIES:</b>					
COMPENSATED ABSENCES PAYABLE	168	--	--	9	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
NOTES PAYABLE	1	--	--	--	--
BONDS PAYABLE	--	--	--	--	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,307</b>	<b>--</b>	<b>66</b>	<b>34</b>	<b>1,091</b>
<b>NONCURRENT LIABILITIES:</b>					
<b>NONCURRENT PORTION OF LONG-TERM LIABILITIES:</b>					
COMPENSATED ABSENCES PAYABLE	675	--	--	39	--
CAPITAL LEASE OBLIGATIONS	38	--	--	--	--
NOTES PAYABLE	21	--	--	--	--
BONDS PAYABLE	--	--	--	--	--
OTHER LONG-TERM LIABILITIES	--	--	3,252	--	--
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>734</b>	<b>--</b>	<b>3,252</b>	<b>39</b>	<b>--</b>
<b>TOTAL LIABILITIES</b>	<b>4,041</b>	<b>--</b>	<b>3,318</b>	<b>73</b>	<b>1,091</b>
<b>NET ASSETS:</b>					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	1,971	--	--	48	--
RESTRICTED FOR DEBT SERVICE	--	--	3,853	--	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	2,716	--	--	--	--
UNRESTRICTED	20,422	36,682	3,683	1,022	2,545
<b>TOTAL NET ASSETS</b>	<b>25,109</b>	<b>36,682</b>	<b>7,536</b>	<b>1,070</b>	<b>2,545</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 29,150</b>	<b>\$ 36,682</b>	<b>\$ 10,854</b>	<b>\$ 1,143</b>	<b>\$ 3,636</b>

# State of Louisiana

LOUISIANA OPPORTUNITY LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	MUNICIPAL FACILITIES REVOLVING LOAN FUND	OFFICE FACILITIES CORPORATION	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIAS	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
\$ 529	\$ 1,743	\$ 67,364	\$ 30,151	\$ 1,535	\$ 942	\$ 2,894	\$ 142,049
886	--	--	--	--	--	--	2,905
54	146	2,199	632	1,256	266	197	6,183
--	--	--	1,273	--	--	--	1,273
--	--	63	--	--	--	374	437
--	--	--	--	4,975	14	142	5,238
--	--	--	--	20	--	--	44
862	--	13,762	--	--	--	--	16,487
174	--	--	--	--	--	--	2,741
<u>2,505</u>	<u>1,889</u>	<u>83,388</u>	<u>32,056</u>	<u>7,786</u>	<u>1,222</u>	<u>3,607</u>	<u>177,357</u>
--	--	--	--	--	--	--	1,230
--	--	--	33,199	--	--	--	33,199
--	--	--	--	--	--	--	35
670	--	198,058	--	--	--	--	229,329
--	695	--	301	--	--	1,245	5,058
--	3,312	--	--	698	--	769	6,017
--	737	--	592	3,809	25	1,051	6,735
--	--	--	78,759	431	--	--	79,190
--	--	--	2,645	--	--	--	2,764
<u>670</u>	<u>4,744</u>	<u>198,058</u>	<u>115,496</u>	<u>4,938</u>	<u>25</u>	<u>3,065</u>	<u>363,557</u>
<u>\$ 3,175</u>	<u>\$ 6,633</u>	<u>\$ 281,446</u>	<u>\$ 147,552</u>	<u>\$ 12,724</u>	<u>\$ 1,247</u>	<u>\$ 6,672</u>	<u>\$ 540,914</u>
\$ 29	\$ 223	\$ --	\$ 6,440	\$ 1,334	\$ 98	\$ 1,247	\$ 11,814
2,250	--	75	--	--	1	7	2,333
--	--	--	761	4	--	--	970
--	--	--	--	--	--	--	1,508
--	--	--	--	--	--	--	164
--	7	--	--	103	3	5	295
--	--	--	--	102	--	--	102
--	--	--	--	--	--	--	1
485	--	--	8,600	--	--	--	9,085
--	--	--	3,456	--	--	--	3,456
<u>2,764</u>	<u>230</u>	<u>75</u>	<u>19,257</u>	<u>1,543</u>	<u>102</u>	<u>1,259</u>	<u>29,728</u>
--	108	--	--	284	52	333	1,491
--	--	--	--	--	--	--	38
--	--	--	--	--	--	--	21
200	--	--	93,400	--	--	--	93,600
--	--	--	16,197	--	--	--	19,449
<u>200</u>	<u>108</u>	<u>--</u>	<u>109,597</u>	<u>284</u>	<u>52</u>	<u>333</u>	<u>114,599</u>
<u>2,964</u>	<u>338</u>	<u>75</u>	<u>128,854</u>	<u>1,827</u>	<u>154</u>	<u>1,592</u>	<u>144,327</u>
--	4,744	--	893	4,836	25	3,065	15,582
100	--	--	22,983	--	--	--	26,936
--	--	--	--	--	--	--	2,716
111	1,551	281,371	(5,178)	6,061	1,068	2,015	351,353
<u>211</u>	<u>6,295</u>	<u>281,371</u>	<u>18,698</u>	<u>10,897</u>	<u>1,093</u>	<u>5,080</u>	<u>396,587</u>
<u>\$ 3,175</u>	<u>\$ 6,633</u>	<u>\$ 281,446</u>	<u>\$ 147,552</u>	<u>\$ 12,724</u>	<u>\$ 1,247</u>	<u>\$ 6,672</u>	<u>\$ 540,914</u>

# State of Louisiana

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

### NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA OFFICE BUILDING CORPORATION
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	\$ 1,156	\$ --	\$ --	\$ 1,859	\$ --
ASSESSMENTS	3,828	--	--	--	--
USE OF MONEY AND PROPERTY	97	1,001	964	--	--
LICENSES, PERMITS, AND FEES	18,783	--	--	--	--
OTHER	325	139	--	--	--
TOTAL OPERATING REVENUES	24,189	1,140	964	1,859	--
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	11,505	--	--	1,129	--
ADMINISTRATIVE	12,473	--	133	726	3,667
DEPRECIATION	262	--	--	38	--
AMORTIZATION	--	--	141	--	--
TOTAL OPERATING EXPENSES	24,240	--	274	1,893	3,667
OPERATING INCOME (LOSS)	(51)	1,140	690	(34)	(3,667)
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL REVENUES (EXPENSES)	(45)	--	--	--	--
USE OF MONEY AND PROPERTY	238	--	9,003	16	57
GAIN (LOSS) ON DISPOSAL OF FIXED ASSETS	(166)	--	--	--	--
INTEREST EXPENSE	(3)	(77)	(1,103)	--	--
OTHER	69	--	(12)	--	--
TOTAL NONOPERATING REVENUES (EXPENSES)	93	(77)	7,888	16	57
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	42	1,063	8,578	(18)	(3,610)
CAPITAL CONTRIBUTIONS	--	6,506	--	--	--
TRANSFERS IN	--	--	--	--	--
TRANSFERS OUT	--	--	--	--	--
CHANGE IN NET ASSETS	42	7,569	8,578	(18)	(3,610)
TOTAL NET ASSETS - BEGINNING AS RESTATED	25,067	29,113	(1,042)	1,088	6,155
TOTAL NET ASSETS - ENDING	\$ 25,109	\$ 36,682	\$ 7,536	\$ 1,070	\$ 2,545

# State of Louisiana

LOUISIANA OPPORTUNITY LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	MUNICIPAL FACILITIES REVOLVING LOAN FUND	OFFICE FACILITIES CORPORATION	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIAS	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
\$ --	\$ 3,758	\$ --	\$ --	\$ 23,725	\$ 1,701	\$ 12,135	\$ 44,334
--	--	--	--	--	--	--	3,828
191	--	8,070	13,338	--	--	--	23,661
--	--	--	--	--	--	--	18,783
--	--	931	--	--	--	--	1,395
<u>191</u>	<u>3,758</u>	<u>9,001</u>	<u>13,338</u>	<u>23,725</u>	<u>1,701</u>	<u>12,135</u>	<u>92,001</u>
--	1,034	--	--	13,893	1,212	588	29,361
60	2,644	--	11,952	9,645	820	10,792	52,912
--	256	--	54	955	15	584	2,164
37	--	--	133	--	--	--	311
<u>97</u>	<u>3,934</u>	<u>--</u>	<u>12,139</u>	<u>24,493</u>	<u>2,047</u>	<u>11,964</u>	<u>84,748</u>
<u>94</u>	<u>(176)</u>	<u>9,001</u>	<u>1,199</u>	<u>(768)</u>	<u>(346)</u>	<u>171</u>	<u>7,253</u>
--	--	--	--	--	--	--	(45)
90	40	--	9,506	29	22	15	19,016
--	29	--	--	(525)	(37)	(2)	(701)
(113)	--	(94)	(8,230)	(4)	--	--	(9,624)
58	4	--	--	312	--	--	431
<u>35</u>	<u>73</u>	<u>(94)</u>	<u>1,276</u>	<u>(188)</u>	<u>(15)</u>	<u>13</u>	<u>9,077</u>
129	(103)	8,907	2,475	(956)	(361)	184	16,330
--	--	4,297	--	--	--	--	10,803
--	--	--	3,145	--	--	--	3,145
<u>--</u>	<u>--</u>	<u>(901)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(901)</u>
129	(103)	12,303	5,620	(956)	(361)	184	29,377
<u>82</u>	<u>6,398</u>	<u>269,068</u>	<u>13,078</u>	<u>11,853</u>	<u>1,454</u>	<u>4,896</u>	<u>367,210</u>
<u>\$ 211</u>	<u>\$ 6,295</u>	<u>\$ 281,371</u>	<u>\$ 18,698</u>	<u>\$ 10,897</u>	<u>\$ 1,093</u>	<u>\$ 5,080</u>	<u>\$ 396,587</u>

# State of Louisiana

## COMBINING STATEMENT OF CASH FLOWS

### NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA OFFICE BUILDING CORPORATION
CASH FLOWS FROM OPERATING ACTIVITIES:					
CASH RECEIVED FROM CUSTOMERS	\$ 24,032	\$ 1,824	\$ 952	\$ 1,727	\$ (2,576)
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(13,527)	--	(120)	(1,436)	--
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(9,904)	--	--	(491)	--
INTERNAL ACTIVITY-PAYMENTS TO OTHER FUNDS	--	--	--	--	--
CLAIMS PAID TO OUTSIDERS	--	(7,916)	--	--	--
OTHER OPERATING REVENUES (EXPENSES)	(53)	43	--	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>548</u>	<u>(6,049)</u>	<u>832</u>	<u>(200)</u>	<u>(2,576)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
STATE APPROPRIATIONS	(170)	--	--	--	--
PRINCIPAL PAID ON BONDS	--	--	(35,466)	--	--
INTEREST PAID ON BOND MATURITIES	--	--	--	--	--
PRINCIPAL PAID ON NOTES PAYABLE	(1)	--	--	--	--
OTHER	(26)	1,501	(12)	--	--
TRANSFERS IN	--	--	5,574	--	--
TRANSFERS OUT	(45)	--	--	--	--
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(242)</u>	<u>1,501</u>	<u>(29,904)</u>	<u>--</u>	<u>--</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
PROCEEDS FROM SALE OF BONDS	--	923	39,695	--	--
PRINCIPAL PAID ON BONDS	--	(1,000)	(4,780)	--	--
INTEREST PAID ON BOND MATURITIES	--	--	(1,098)	--	--
PRINCIPAL PAID ON NOTES PAYABLE	(24)	--	--	--	--
INTEREST PAID ON NOTES PAYABLE	(3)	--	--	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(212)	--	--	(2)	--
PROCEEDS FROM SALE OF CAPITAL ASSETS	--	--	--	--	--
CAPITAL CONTRIBUTIONS	--	6,506	--	--	--
OTHER	--	--	(272)	--	--
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(239)</u>	<u>6,429</u>	<u>33,545</u>	<u>(2)</u>	<u>--</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
PURCHASES OF INVESTMENT SECURITIES	(983)	--	--	--	--
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	921	--	--	--	--
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	293	--	33	16	57
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>231</u>	<u>--</u>	<u>33</u>	<u>16</u>	<u>57</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	298	1,881	4,506	(186)	(2,519)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR AS RESTATED	<u>23,715</u>	<u>1,995</u>	<u>1,297</u>	<u>979</u>	<u>6,155</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 24,013</u>	<u>\$ 3,876</u>	<u>\$ 5,803</u>	<u>\$ 793</u>	<u>\$ 3,636</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	\$ (51)	\$ 1,140	\$ 690	\$ (34)	\$ (3,667)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
DEPRECIATION	264	--	141	38	--
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	106	--	--	--	--
OTHER	--	--	--	--	--
CHANGES IN ASSETS AND LIABILITIES:					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	7	(95)	1	(132)	--
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	--	2	--	--	--
(INCREASE)DECREASE IN PREPAYMENTS	5	--	--	--	--
(INCREASE)DECREASE IN INVENTORIES	1	--	--	(78)	--
(INCREASE)DECREASE IN OTHER ASSETS	95	(7,096)	--	--	--
INCREASE(DECREASE) IN ACCOUNTS PAYABLE	140	--	--	9	1,091
INCREASE(DECREASE) IN ACCRUED PAYROLL AND RELATED	27	--	--	--	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	96	--	--	(3)	--
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	--	--	--	--	--
INCREASE(DECREASE) IN DEFERRED REVENUES	(157)	--	--	--	--
INCREASE(DECREASE) IN OTHER LIABILITIES	15	--	--	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 548</u>	<u>\$ (6,049)</u>	<u>\$ 832</u>	<u>\$ (200)</u>	<u>\$ (2,576)</u>

# State of Louisiana

LOUISIANA OPPORTUNITY LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	MUNICIPAL FACILITIES REVOLVING LOAN FUND	OFFICE FACILITIES CORPORATION	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIA	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
\$ 853	\$ 3,742	\$ 18,569	\$ 28,260	\$ 24,646	\$ 1,601	\$ 13,040	\$ 116,670
(60)	(2,025)	--	(20,930)	(19,387)	(1,406)	(8,290)	(67,181)
--	(1,371)	--	--	(4,693)	(634)	(3,056)	(20,149)
--	(234)	--	--	--	--	--	(234)
--	--	(24,150)	--	--	--	--	(32,066)
--	--	1,505	--	--	--	--	1,495
<u>793</u>	<u>112</u>	<u>(4,076)</u>	<u>7,330</u>	<u>566</u>	<u>(439)</u>	<u>1,694</u>	<u>(1,465)</u>
--	--	--	--	--	--	--	(170)
(820)	--	--	--	--	--	--	(36,286)
(90)	--	--	--	--	--	--	(90)
--	--	--	--	--	--	--	(1)
--	4	--	--	--	5	--	1,472
--	--	--	3,145	--	--	--	8,719
--	--	(901)	--	--	--	--	(946)
<u>(910)</u>	<u>4</u>	<u>(901)</u>	<u>3,145</u>	<u>--</u>	<u>5</u>	<u>--</u>	<u>(27,302)</u>
--	--	5,951	--	--	--	--	46,569
--	--	(6,000)	(6,775)	--	--	--	(18,555)
--	--	(44)	(13,107)	--	--	--	(14,249)
--	--	--	--	(53)	--	--	(77)
--	--	--	--	(4)	--	--	(7)
--	(456)	--	(45,976)	(1,195)	(5)	(53)	(47,899)
--	29	--	--	422	--	--	451
--	--	4,296	--	--	--	--	10,802
--	--	--	--	--	--	(40)	(312)
<u>--</u>	<u>(427)</u>	<u>4,203</u>	<u>(65,858)</u>	<u>(830)</u>	<u>(5)</u>	<u>(93)</u>	<u>(23,277)</u>
(854)	--	--	(70,537)	--	--	--	(72,374)
1,000	--	--	100,522	--	--	--	102,443
64	40	--	3,205	29	22	15	3,774
<u>210</u>	<u>40</u>	<u>--</u>	<u>33,190</u>	<u>29</u>	<u>22</u>	<u>15</u>	<u>33,843</u>
93	(271)	(774)	(22,193)	(235)	(417)	1,616	(18,201)
<u>436</u>	<u>2,014</u>	<u>68,138</u>	<u>52,344</u>	<u>1,770</u>	<u>1,359</u>	<u>1,278</u>	<u>161,480</u>
\$ <u>529</u>	\$ <u>1,743</u>	\$ <u>67,364</u>	\$ <u>30,151</u>	\$ <u>1,535</u>	\$ <u>942</u>	\$ <u>2,894</u>	\$ <u>143,279</u>
\$ <u>94</u>	\$ <u>(176)</u>	\$ <u>9,001</u>	\$ <u>1,199</u>	\$ <u>(768)</u>	\$ <u>(346)</u>	\$ <u>171</u>	\$ <u>7,253</u>
37	256	--	187	955	15	584	2,477
69	--	--	--	(2)	--	--	173
--	--	--	(536)	67	--	--	(469)
654	(16)	(355)	(3,119)	924	(90)	156	(2,065)
--	--	71	3,145	--	--	764	3,982
--	--	--	--	(2)	--	--	3
--	--	--	--	104	8	8	43
(34)	--	(12,793)	14,978	--	--	--	(4,850)
23	29	--	(8,524)	(746)	(25)	(97)	(8,100)
--	--	--	--	--	--	--	27
--	19	--	--	36	--	108	256
--	--	--	--	--	(1)	--	(1)
--	--	--	--	(2)	--	--	(159)
<u>(50)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(35)</u>
\$ <u>793</u>	\$ <u>112</u>	\$ <u>(4,076)</u>	\$ <u>7,330</u>	\$ <u>566</u>	\$ <u>(439)</u>	\$ <u>1,694</u>	\$ <u>(1,465)</u>

# State of Louisiana

## COMBINING BALANCE SHEET

### INTERNAL SERVICE FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	ADMINISTRATIVE SUPPORT	CENTRAL REGIONAL LAUNDRY
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
CASH AND CASH EQUIVALENTS	\$ 1,449	\$ 271	\$ 347
RECEIVABLES, NET	436	197	14
INVENTORIES	944	181	8
PREPAYMENTS	2	--	--
TOTAL CURRENT ASSETS	<u>2,831</u>	<u>649</u>	<u>369</u>
<b>NONCURRENT ASSETS:</b>			
<b>CAPITAL ASSETS (NOTE 5)</b>			
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	--	--	9
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	714	15	197
TOTAL NONCURRENT ASSETS	<u>714</u>	<u>15</u>	<u>206</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,545</u>	<u>\$ 664</u>	<u>\$ 575</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
ACCOUNTS PAYABLE AND ACCRUALS	\$ 110	\$ 35	\$ 31
DUE TO OTHER FUNDS	400	--	--
OTHER CURRENT LIABILITIES	--	--	--
<b>CURRENT PORTION OF LONG-TERM LIABILITIES:</b>			
COMPENSATED ABSENCES PAYABLE	6	1	--
CAPITAL LEASE OBLIGATIONS	130	6	--
NOTES PAYABLE	--	--	--
TOTAL CURRENT LIABILITIES	<u>646</u>	<u>42</u>	<u>31</u>
<b>NONCURRENT LIABILITIES:</b>			
<b>NONCURRENT PORTION OF LONG-TERM LIABILITIES:</b>			
COMPENSATED ABSENCES PAYABLE	154	14	31
CAPITAL LEASE OBLIGATIONS	98	--	--
TOTAL NONCURRENT LIABILITIES	<u>252</u>	<u>14</u>	<u>31</u>
<b>TOTAL LIABILITIES</b>	<u>898</u>	<u>56</u>	<u>62</u>
<b>NET ASSETS</b>			
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	485	9	205
UNRESTRICTED	<u>2,162</u>	<u>599</u>	<u>308</u>
<b>TOTAL NET ASSETS</b>	<u>2,647</u>	<u>608</u>	<u>513</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 3,545</u>	<u>\$ 664</u>	<u>\$ 575</u>

# State of Louisiana

FLIGHT MAINTENANCE OPERATIONS	JACKSON REGIONAL LAUNDRY	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
\$ 339	\$ --	\$ 1,491	\$ 3,897
194	79	6,143	7,063
71	3	--	1,207
--	--	--	2
<u>604</u>	<u>82</u>	<u>7,634</u>	<u>12,169</u>
--	--	--	9
<u>11</u>	<u>301</u>	<u>3,332</u>	<u>4,570</u>
<u>11</u>	<u>301</u>	<u>3,332</u>	<u>4,579</u>
\$ <u><u>615</u></u>	\$ <u><u>383</u></u>	\$ <u><u>10,966</u></u>	\$ <u><u>16,748</u></u>
\$ 26	\$ 39	\$ 1,220	\$ 1,461
--	--	4	404
--	32	--	32
1	7	14	29
--	--	--	136
--	--	1,817	1,817
<u>27</u>	<u>78</u>	<u>3,055</u>	<u>3,879</u>
24	61	431	715
--	--	--	98
<u>24</u>	<u>61</u>	<u>431</u>	<u>813</u>
51	139	3,486	4,692
11	301	1,515	2,526
<u>553</u>	<u>(57)</u>	<u>5,965</u>	<u>9,530</u>
564	244	7,480	12,056
\$ <u><u>615</u></u>	\$ <u><u>383</u></u>	\$ <u><u>10,966</u></u>	\$ <u><u>16,748</u></u>



# State of Louisiana

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

### INTERNAL SERVICE FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	ADMINISTRATIVE SUPPORT	CENTRAL REGIONAL LAUNDRY
OPERATING REVENUES:			
SALES OF COMMODITIES AND SERVICES	\$ 4,071	\$ 2,716	\$ 500
OTHER	--	--	--
TOTAL OPERATING REVENUES	<u>4,071</u>	<u>2,716</u>	<u>500</u>
OPERATING EXPENSES:			
COST OF SALES AND SERVICES	1,162	2,088	170
ADMINISTRATIVE	2,594	539	431
DEPRECIATION	<u>236</u>	<u>9</u>	<u>52</u>
TOTAL OPERATING EXPENSES	<u>3,992</u>	<u>2,636</u>	<u>653</u>
OPERATING INCOME (LOSS)	<u>79</u>	<u>80</u>	<u>(153)</u>
NONOPERATING REVENUES (EXPENSES):			
USE OF MONEY AND PROPERTY	14	6	6
GAIN (LOSS) ON DISPOSAL OF FIXED ASSETS	(8)	--	(2)
INTEREST EXPENSES	(7)	--	--
OTHER	<u>3</u>	<u>1</u>	<u>--</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>2</u>	<u>7</u>	<u>4</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS	81	87	(149)
CAPITAL CONTRIBUTIONS	<u>787</u>	<u>--</u>	<u>--</u>
CHANGE IN NET ASSETS	868	87	(149)
TOTAL NET ASSETS - BEGINNING	<u>1,779</u>	<u>521</u>	<u>662</u>
TOTAL NET ASSETS - ENDING	<u>\$ 2,647</u>	<u>\$ 608</u>	<u>\$ 513</u>

# State of Louisiana

FLIGHT MAINTENANCE OPERATIONS	JACKSON REGIONAL LAUNDRY	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
\$ 1,076	\$ 795	\$ 55,453	\$ 64,611
--	--	13	13
1,076	795	55,466	64,624
814	--	47,023	51,257
218	861	7,181	11,824
5	56	848	1,206
1,037	917	55,052	64,287
39	(122)	414	337
5	--	--	31
--	--	1	(9)
--	--	(28)	(35)
--	--	10	14
5	--	(17)	1
44	(122)	397	338
--	--	--	787
44	(122)	397	1,125
520	366	7,083	10,931
\$ 564	\$ 244	\$ 7,480	\$ 12,056

# State of Louisiana

## COMBINING STATEMENT OF CASH FLOWS

### INTERNAL SERVICE FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	ADMINISTRATIVE SUPPORT	CENTRAL REGIONAL LAUNDRY
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH RECEIVED FROM CUSTOMERS	\$ 4,517	\$ 2,739	\$ 500
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(2,714)	(2,353)	(168)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(1,734)	(357)	(431)
OTHER OPERATING REVENUES	--	--	8
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>69</u>	<u>29</u>	<u>(91)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
OTHER	<u>3</u>	<u>1</u>	<u>--</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>3</u>	<u>1</u>	<u>--</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
PRINCIPAL PAID ON NOTES PAYABLE	(151)	(10)	--
INTEREST PAID ON NOTES PAYABLE	(7)	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(138)	(10)	--
PROCEEDS FROM SALE OF CAPITAL ASSETS	1	--	--
CAPITAL CONTRIBUTIONS	<u>787</u>	<u>--</u>	<u>--</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>492</u>	<u>(20)</u>	<u>--</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	<u>14</u>	<u>6</u>	<u>6</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>14</u>	<u>6</u>	<u>6</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	578	16	(85)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>871</u>	<u>255</u>	<u>432</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,449</u>	<u>\$ 271</u>	<u>\$ 347</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS)	\$ <u>79</u>	\$ <u>80</u>	\$ <u>(153)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION	236	9	52
OTHER	1	1	--
CHANGES IN ASSETS AND LIABILITIES:			
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(39)	23	--
(INCREASE)DECREASE IN INVENTORIES	(195)	(74)	1
INCREASE(DECREASE) IN ACCOUNTS PAYABLE	(36)	(9)	8
INCREASE(DECREASE) IN ACCRUED PAYROLL AND RELATED	--	(1)	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	3	--	1
INCREASE(DECREASE) IN OTHER LIABILITIES	<u>20</u>	<u>--</u>	<u>--</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 69</u>	<u>\$ 29</u>	<u>\$ (91)</u>

(Continued)

# State of Louisiana

FLIGHT MAINTENANCE OPERATIONS	JACKSON REGIONAL LAUNDRY	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
\$ 1,055	\$ 823	\$ 55,285	\$ 64,919
(844)	(110)	(47,023)	(53,212)
(175)	(701)	(8,176)	(11,574)
(1)	--	13	20
35	12	99	153
--	(12)	--	(8)
--	(12)	--	(8)
--	--	(479)	(640)
--	--	(28)	(35)
(4)	--	(207)	(359)
--	--	1	2
--	--	--	787
(4)	--	(713)	(245)
5	--	13	44
5	--	13	44
36	--	(601)	(56)
303	--	2,092	3,953
\$ 339	\$ --	\$ 1,491	\$ 3,897
\$ 39	\$ (122)	\$ 414	\$ 337
5	56	848	1,206
--	--	--	2
(22)	69	(168)	(137)
8	--	--	(260)
2	15	(1,048)	(1,068)
(1)	--	--	(2)
4	(6)	53	55
--	--	--	20
\$ 35	\$ 12	\$ 99	\$ 153

# State of Louisiana

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## COMBINING STATEMENT OF CASH FLOWS

### INTERNAL SERVICE FUNDS

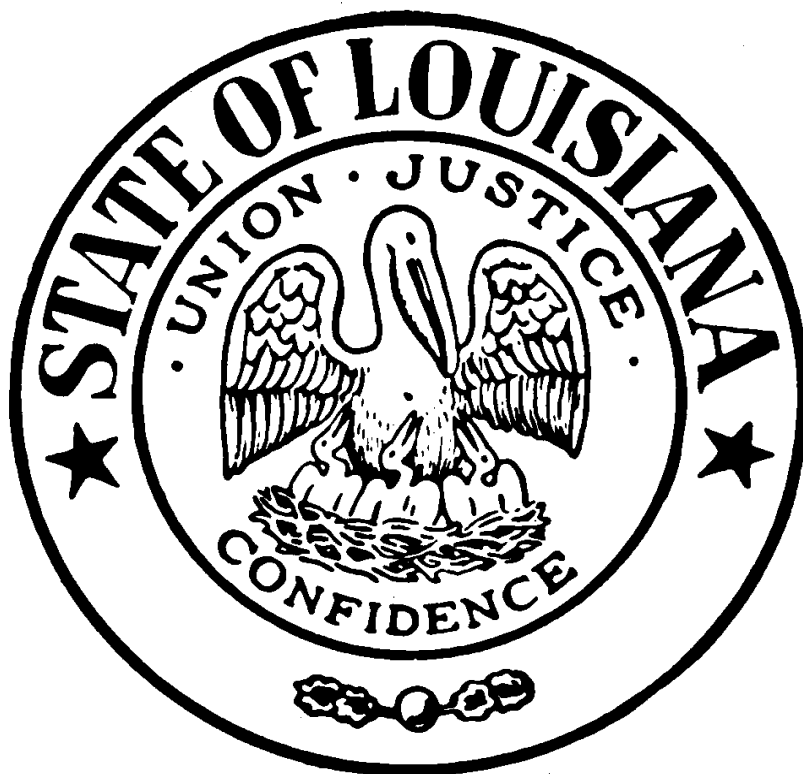
JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

### NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2003
OFFICE OF TELECOMMUNICATIONS MANAGEMENT	
ASSETS TRADED IN	(21)
DISPOSAL OF FIXED ASSETS	1

(Concluded)



# State of Louisiana

## COMBINING STATEMENT OF FIDUCIARY NET ASSETS

### PENSION TRUST FUNDS

**JUNE 30, 2003**

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2003
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 13,294	\$ 91,562	\$ --	\$ 7,808	\$ 112,664
RECEIVABLES:					
EMPLOYER CONTRIBUTIONS	--	20,187	243	57,746	78,176
MEMBER CONTRIBUTIONS	2,704	11,014	85	47,231	61,034
INVESTMENT PROCEEDS	59,338	28,027	585	157,177	245,127
INTEREST AND DIVIDENDS	5,568	29,644	1,034	41,423	77,669
OTHER	3	840	30	3,485	4,358
TOTAL RECEIVABLES	67,613	89,712	1,977	307,062	466,364
INVESTMENTS (AT FAIR VALUE):					
SHORT TERM INVESTMENTS	134,008	172,525	11,721	434,080	752,334
U. S. GOVERNMENT OBLIGATIONS	322,063	675,181	23,801	464,328	1,485,373
BONDS - DOMESTIC	187,990	863,269	97,108	1,240,207	2,388,574
BONDS - INTERNATIONAL	19,175	370,356	1,007	416,433	806,971
MARKETABLE SECURITIES - DOMESTIC	584,637	2,370,604	108,591	4,468,940	7,532,772
MARKETABLE SECURITIES - INTERNATIONAL	81,548	852,279	24,249	1,033,655	1,991,731
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	210,510	--	7,928	3,536,684	3,755,122
OTHER	1,700	326,130	--	2,318,479	2,646,309
TOTAL INVESTMENTS	1,541,631	5,630,344	274,405	13,912,806	21,359,186
PROPERTY, PLANT AND EQUIPMENT:					
LAND	977	858	--	858	2,693
BUILDINGS AND IMPROVEMENTS	3,553	5,132	--	5,132	13,817
FURNITURE AND EQUIPMENT	931	8,653	126	3,024	12,734
LESS ACCUMULATED DEPRECIATION	(1,478)	(8,985)	(93)	(4,014)	(14,570)
TOTAL PROPERTY, PLANT AND EQUIPMENT	3,983	5,658	33	5,000	14,674
TOTAL ASSETS	1,626,521	5,817,276	276,415	14,232,676	21,952,888
<b>LIABILITIES</b>					
ACCOUNTS PAYABLE	795	5,079	412	6,215	12,501
INVESTMENT COMMITMENTS PAYABLE	70,798	93,453	838	160,488	325,577
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	210,510	--	7,928	3,536,684	3,755,122
REFUNDS PAYABLE AND OTHER	227	--	2	8,611	8,840
TOTAL LIABILITIES	282,330	98,532	9,180	3,711,998	4,102,040
NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS	\$ 1,344,191	\$ 5,718,744	\$ 267,235	\$ 10,520,678	\$ 17,850,848

(Schedule of Funding Progress - Note 6)

# State of Louisiana

## COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

### PENSION TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2003
<u>ADDITIONS</u>					
CONTRIBUTIONS:					
EMPLOYER	\$ 30,362	\$ 292,290	\$ 23,399	\$ 421,838	\$ 767,889
MEMBERS	19,820	159,470	3,930	251,298	434,518
TOTAL CONTRIBUTIONS	50,182	451,760	27,329	673,136	1,202,407
INVESTMENT INCOME:					
NET INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENTS	6,420	45,767	7,083	(13,189)	46,081
INTEREST AND DIVIDENDS	45,734	177,514	6,547	238,314	468,109
OTHER INVESTMENT INCOME	2,822	6,472	141	61,680	71,115
LESS INVESTMENT EXPENSE	(4,850)	(16,901)	(945)	(65,440)	(88,136)
NET INVESTMENT INCOME	50,126	212,852	12,826	221,365	497,169
OTHER INCOME	--	15,137	1,884	34,476	51,497
TOTAL ADDITIONS	100,308	679,749	42,039	928,977	1,751,073
<u>DEDUCTIONS</u>					
RETIREMENT BENEFITS	97,598	544,010	22,484	1,003,327	1,667,419
REFUNDS OF CONTRIBUTIONS	32,723	25,044	194	22,287	80,248
ADMINISTRATIVE EXPENSES	2,405	10,196	366	10,688	23,655
DEPRECIATION EXPENSE	164	658	15	491	1,328
OTHER	225	975	--	--	1,200
TOTAL DEDUCTIONS	133,115	580,883	23,059	1,036,793	1,773,850
NET INCREASE (DECREASE) IN NET ASSETS	(32,807)	98,866	18,980	(107,816)	(22,777)
<u>NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS</u>					
BEGINNING OF YEAR	1,376,998	5,619,878	248,255	10,628,494	17,873,625
END OF YEAR	\$ 1,344,191	\$ 5,718,744	\$ 267,235	\$ 10,520,678	\$ 17,850,848



# State of Louisiana

## COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

### AGENCY FUNDS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	DEBT SERVICE RESERVE FUND	ESCROW FUND	FREE SCHOOL FUND	FUTURE MEDICAL CARE FUND	INSURANCE TRUSTS
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 4,711	\$ 167,584	\$ 2,807	\$ 11,028	\$ 22,763
INVESTMENTS	--	--	15,931	--	67,257
RECEIVABLES	--	108,447	349	--	350
OTHER ASSETS	--	--	--	--	228
TOTAL ASSETS	<u>\$ 4,711</u>	<u>\$ 276,031</u>	<u>\$ 19,087</u>	<u>\$ 11,028</u>	<u>\$ 90,598</u>
<b>LIABILITIES</b>					
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 4,711	\$ 99,975	\$ 19,023	\$ 11,028	\$ 88,975
OTHER LIABILITIES	--	176,056	64	--	1,623
TOTAL LIABILITIES	<u>\$ 4,711</u>	<u>\$ 276,031</u>	<u>\$ 19,087</u>	<u>\$ 11,028</u>	<u>\$ 90,598</u>

	LOUISIANA MANUFACTURED AND MOBILE HOMES SETTLEMENT FUND	MISCEL- LANEOUS AGENCY FUNDS	PAYROLL CLEARING FUND	REVER- SIONARY MEDICAL TRUST FUND	TOTAL JUNE 30, 2003
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 1,752	\$ 13,619	\$ 1,119	\$ 2,761	\$ 228,144
INVESTMENTS	--	--	--	--	83,188
RECEIVABLES	--	--	--	--	109,146
OTHER ASSETS	--	--	--	--	228
TOTAL ASSETS	<u>\$ 1,752</u>	<u>\$ 13,619</u>	<u>\$ 1,119</u>	<u>\$ 2,761</u>	<u>\$ 420,706</u>
<b>LIABILITIES</b>					
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 1,752	\$ 13,619	\$ 1,119	\$ 2,761	\$ 242,963
OTHER LIABILITIES	--	--	--	--	177,743
TOTAL LIABILITIES	<u>\$ 1,752</u>	<u>\$ 13,619</u>	<u>\$ 1,119</u>	<u>\$ 2,761</u>	<u>\$ 420,706</u>

# State of Louisiana

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

### AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2002	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2003
<b>DEBT SERVICE RESERVE FUND</b>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 4,658	\$ 53	\$ --	\$ 4,711
TOTAL ASSETS	<u>\$ 4,658</u>	<u>\$ 53</u>	<u>\$ --</u>	<u>\$ 4,711</u>
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 4,658	\$ 53	\$ --	\$ 4,711
TOTAL LIABILITIES	<u>\$ 4,658</u>	<u>\$ 53</u>	<u>\$ --</u>	<u>\$ 4,711</u>
<b>ESCROW FUND</b>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 170,540	\$ 2,468,508	\$ 2,471,464	\$ 167,584
RECEIVABLES	<u>41,720</u>	<u>108,447</u>	<u>41,720</u>	<u>108,447</u>
TOTAL ASSETS	<u>\$ 212,260</u>	<u>\$ 2,576,955</u>	<u>\$ 2,513,184</u>	<u>\$ 276,031</u>
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 172,929	\$ 2,582,286	\$ 2,655,240	\$ 99,975
OTHER LIABILITIES	<u>39,331</u>	<u>176,056</u>	<u>39,331</u>	<u>176,056</u>
TOTAL LIABILITIES	<u>\$ 212,260</u>	<u>\$ 2,758,342</u>	<u>\$ 2,694,571</u>	<u>\$ 276,031</u>
<b>FREE SCHOOL FUND</b>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 1,366	\$ 7,888	\$ 6,447	\$ 2,807
INVESTMENTS	16,135	6,386	6,590	15,931
RECEIVABLES	<u>384</u>	<u>3</u>	<u>38</u>	<u>349</u>
TOTAL ASSETS	<u>\$ 17,885</u>	<u>\$ 14,277</u>	<u>\$ 13,075</u>	<u>\$ 19,087</u>
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 17,817	\$ 1,363	\$ 157	\$ 19,023
OTHER LIABILITIES	<u>68</u>	<u>64</u>	<u>68</u>	<u>64</u>
TOTAL LIABILITIES	<u>\$ 17,885</u>	<u>\$ 1,427</u>	<u>\$ 225</u>	<u>\$ 19,087</u>

(Continued)

# State of Louisiana

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

### AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2002	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2003
<u>FUTURE MEDICAL CARE FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 10,951	\$ 207	\$ 130	\$ 11,028
TOTAL ASSETS	\$ 10,951	\$ 207	\$ 130	\$ 11,028
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 10,951	\$ 207	\$ 130	\$ 11,028
TOTAL LIABILITIES	\$ 10,951	\$ 207	\$ 130	\$ 11,028
<u>INSURANCE TRUSTS</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 20,889	\$ 40,739	\$ 38,865	\$ 22,763
INVESTMENTS	66,204	4,968	3,915	67,257
RECEIVABLES	2,483	350	2,483	350
OTHER ASSETS	781	292	845	228
TOTAL ASSETS	\$ 90,357	\$ 46,349	\$ 46,108	\$ 90,598
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 89,152	\$ 42,743	\$ 42,920	\$ 88,975
OTHER LIABILITIES	1,205	711	293	1,623
TOTAL LIABILITIES	\$ 90,357	\$ 43,454	\$ 43,213	\$ 90,598
<u>LOUISIANA MANUFACTURED AND MOBILE HOMES SETTLEMENT FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ --	\$ 15,218	\$ 13,466	\$ 1,752
RECEIVABLES	15,218	--	15,218	--
TOTAL ASSETS	\$ 15,218	\$ 15,218	\$ 28,684	\$ 1,752
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 15,218	\$ 15,218	\$ 28,684	\$ 1,752
TOTAL LIABILITIES	\$ 15,218	\$ 15,218	\$ 28,684	\$ 1,752
<u>MISCELLANEOUS AGENCY FUNDS</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 21,075	\$ 49,744	\$ 57,200	\$ 13,619
TOTAL ASSETS	\$ 21,075	\$ 49,744	\$ 57,200	\$ 13,619
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 21,075	\$ 49,744	\$ 57,200	\$ 13,619
TOTAL LIABILITIES	\$ 21,075	\$ 49,744	\$ 57,200	\$ 13,619

(Continued)

# State of Louisiana

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

### AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2002	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2003
<u>PAYROLL CLEARING FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 35,642	\$ 1,783,886	\$ 1,818,409	\$ 1,119
TOTAL ASSETS	<u>\$ 35,642</u>	<u>\$ 1,783,886</u>	<u>\$ 1,818,409</u>	<u>\$ 1,119</u>
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 35,642	\$ 1,783,886	\$ 1,818,409	\$ 1,119
TOTAL LIABILITIES	<u>\$ 35,642</u>	<u>\$ 1,783,886</u>	<u>\$ 1,818,409</u>	<u>\$ 1,119</u>
<u>REVERSIONARY MEDICAL TRUST FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 2,761	\$ --	\$ --	\$ 2,761
TOTAL ASSETS	<u>\$ 2,761</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,761</u>
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 2,761	\$ --	\$ --	\$ 2,761
TOTAL LIABILITIES	<u>\$ 2,761</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,761</u>
<u>TOTAL ALL AGENCY FUNDS</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 267,882	\$ 4,366,243	\$ 4,405,981	\$ 228,144
INVESTMENTS	82,339	11,354	10,505	83,188
RECEIVABLES	59,805	108,800	59,459	109,146
OTHER ASSETS	<u>781</u>	<u>292</u>	<u>845</u>	<u>228</u>
TOTAL ASSETS	<u>\$ 410,807</u>	<u>\$ 4,486,689</u>	<u>\$ 4,476,790</u>	<u>\$ 420,706</u>
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 370,203	\$ 4,475,500	\$ 4,602,740	\$ 242,963
OTHER LIABILITIES	<u>40,604</u>	<u>176,831</u>	<u>39,692</u>	<u>177,743</u>
TOTAL LIABILITIES	<u>\$ 410,807</u>	<u>\$ 4,652,331</u>	<u>\$ 4,642,432</u>	<u>\$ 420,706</u>

(Concluded)

# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR COMPONENT UNITS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CAPITAL AREA HUMAN SERVICES DISTRICT	GREATER BATON ROUGE PORT COMMISSION *	JEFFERSON PARISH HUMAN SERVICES AUTHORITY	KENNER NAVAL MUSEUM COMMISSION
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$ 4,700	\$ 2,363	\$ 780	\$ 1,146	\$ 2
INVESTMENTS	27,205	--	13,935	--	--
RECEIVABLES (NET)	333	1,248	500	1,275	--
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	14	1,195	50	--
INVENTORIES	--	277	--	390	--
PREPAYMENTS	5	--	185	--	--
NOTES RECEIVABLE	--	--	239	--	--
OTHER CURRENT ASSETS	7	--	--	--	--
TOTAL CURRENT ASSETS	<u>32,250</u>	<u>3,902</u>	<u>16,834</u>	<u>2,861</u>	<u>2</u>
<b>NONCURRENT ASSETS:</b>					
<b>RESTRICTED ASSETS:</b>					
CASH	--	--	71	--	--
INVESTMENTS	--	--	4,127	--	--
RECEIVABLES (NET)	--	--	11	--	--
NOTES RECEIVABLE	--	--	1,779	--	--
INVESTMENTS	--	--	--	--	--
<b>CAPITAL ASSETS (NOTE 5)</b>					
LAND	237	--	3,742	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	785	--	30,088	982	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	200	121	1,086	369	--
INFRASTRUCTURE (NET OF DEPRECIATION)	--	--	1,448	--	--
CONSTRUCTION IN PROGRESS	--	--	10,532	--	--
OTHER NONCURRENT ASSETS	--	--	266	--	--
TOTAL NONCURRENT ASSETS	<u>1,222</u>	<u>121</u>	<u>53,150</u>	<u>1,351</u>	<u>--</u>
<b>TOTAL ASSETS</b>	<u>\$ 33,472</u>	<u>\$ 4,023</u>	<u>\$ 69,984</u>	<u>\$ 4,212</u>	<u>\$ 2</u>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES:</b>					
ACCOUNTS PAYABLE AND ACCRUALS	\$ 444	\$ 1,596	\$ 2,347	\$ 1,264	\$ --
DEFERRED REVENUES	24	--	326	--	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	--	--
OTHER CURRENT LIABILITIES	12	--	--	--	--
<b>CURRENT PORTION OF LONG-TERM LIABILITIES:</b>					
CONTRACTS PAYABLE	--	--	--	--	--
COMPENSATED ABSENCES PAYABLE	--	374	--	56	--
CAPITAL LEASE OBLIGATIONS	--	--	--	4	--
NOTES PAYABLE	18	--	--	--	--
LIABILITIES PAYABLE FROM RESTRICTED ASSETS	--	--	--	--	--
BONDS PAYABLE	--	--	300	--	--
OTHER LONG-TERM LIABILITIES	--	--	226	--	--
TOTAL CURRENT LIABILITIES	<u>498</u>	<u>1,970</u>	<u>3,199</u>	<u>1,324</u>	<u>--</u>
<b>LONG-TERM LIABILITIES:</b>					
<b>NONCURRENT PORTION OF LONG-TERM LIABILITIES:</b>					
CONTRACTS PAYABLE	--	--	--	--	--
COMPENSATED ABSENCES PAYABLE	155	428	--	561	--
CAPITAL LEASE OBLIGATIONS	--	--	--	4	--
NOTES PAYABLE	188	--	--	--	--
BONDS PAYABLE	--	--	8,029	--	--
OTHER LONG-TERM LIABILITIES	--	--	(4)	--	--
TOTAL LONG-TERM LIABILITIES	<u>343</u>	<u>428</u>	<u>8,025</u>	<u>565</u>	<u>--</u>
<b>TOTAL LIABILITIES</b>	<u>841</u>	<u>2,398</u>	<u>11,224</u>	<u>1,889</u>	<u>--</u>
<b>NET ASSETS:</b>					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	1,014	121	41,930	1,343	--
<b>RESTRICTED FOR:</b>					
CAPITAL PROJECTS	--	--	3,359	--	--
DEBT SERVICE	--	--	313	--	--
OTHER PURPOSES	--	--	--	--	--
UNRESTRICTED	31,617	1,504	13,158	980	2
TOTAL NET ASSETS	<u>32,631</u>	<u>1,625</u>	<u>58,760</u>	<u>2,323</u>	<u>2</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 33,472</u>	<u>\$ 4,023</u>	<u>\$ 69,984</u>	<u>\$ 4,212</u>	<u>\$ 2</u>

\* As of December 31, 2002.

(Continued)

# State of Louisiana

LOUISIANA AGRICULTURAL FINANCE AUTHORITY	LOUISIANA CANCER RESEARCH CENTER	LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	LOUISIANA HOUSING FINANCE AGENCY	LOUISIANA NAVAL WAR MEMORIAL COMMISSION *	LOUISIANA PUBLIC FACILITIES AUTHORITY	MILLENNIUM PORT AUTHORITY
\$ 338	\$ 2,862	\$ 79,512	\$ 6,354	\$ 316	\$ 6,367	\$ 146
--	--	2,844	38,684	--	511	--
1,055	--	2,950	--	1	2,794	51
23,452	--	--	--	--	--	--
--	--	--	2,144	--	--	--
--	--	--	--	27	--	--
--	--	--	--	--	14	--
--	--	166	12	--	--	--
354	--	--	2,156	--	--	--
<u>25,199</u>	<u>2,862</u>	<u>85,472</u>	<u>49,350</u>	<u>344</u>	<u>9,686</u>	<u>197</u>
289	--	--	3,095	53	--	--
--	--	--	2,077	--	--	--
324	--	--	10,495	--	--	--
--	--	2,574	30,311	--	--	--
--	--	19,744	--	--	4,467	--
6,513	--	--	712	269	--	--
20,480	--	--	7,723	1,784	1	--
2,647	--	--	806	1,111	101	13
2,455	--	--	--	--	--	--
2,068	--	--	--	--	--	--
3,838	--	--	--	--	4,987	--
<u>38,614</u>	<u>--</u>	<u>22,318</u>	<u>55,219</u>	<u>3,217</u>	<u>9,556</u>	<u>13</u>
<u>\$ 63,813</u>	<u>\$ 2,862</u>	<u>\$ 107,790</u>	<u>\$ 104,569</u>	<u>\$ 3,561</u>	<u>\$ 19,242</u>	<u>\$ 210</u>
\$ 829	\$ 104	\$ 1,639	\$ 2,113	\$ 8	\$ 96	\$ 87
322	--	--	256	3	--	--
--	--	--	--	--	--	--
--	100	--	--	2	--	--
--	--	--	--	--	--	--
--	--	--	183	--	--	--
303	--	--	--	--	--	--
7,655	--	--	--	--	--	--
392	--	--	581	--	--	--
275	--	--	480	--	--	--
374	--	78	--	--	--	--
<u>10,150</u>	<u>204</u>	<u>1,717</u>	<u>3,613</u>	<u>13</u>	<u>96</u>	<u>87</u>
--	--	--	--	--	--	--
--	--	--	128	23	--	--
7	--	--	--	--	--	--
15,797	--	--	--	--	--	--
3,204	--	--	8,555	--	--	--
3,783	--	1,984	--	--	--	--
<u>22,791</u>	<u>--</u>	<u>1,984</u>	<u>8,683</u>	<u>23</u>	<u>--</u>	<u>--</u>
<u>32,941</u>	<u>204</u>	<u>3,701</u>	<u>12,296</u>	<u>36</u>	<u>96</u>	<u>87</u>
30,374	--	--	206	3,164	102	13
--	--	--	--	--	--	--
74	--	10,113	44,071	63	--	--
424	2,658	93,976	47,996	298	19,044	110
<u>30,872</u>	<u>2,658</u>	<u>104,089</u>	<u>92,273</u>	<u>3,525</u>	<u>19,146</u>	<u>123</u>
<u>\$ 63,813</u>	<u>\$ 2,862</u>	<u>\$ 107,790</u>	<u>\$ 104,569</u>	<u>\$ 3,561</u>	<u>\$ 19,242</u>	<u>\$ 210</u>

# State of Louisiana

## COMBINING BALANCE SHEET

### NONMAJOR COMPONENT UNITS

JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

	OTHER LEVEE DISTRICTS	SABINE RIVER AUTHORITY	WHITE LAKE PRESERVATION, INCORPORATED	TOTAL NONMAJOR COMPONENT UNITS
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 65,947	\$ 5,573	\$ 219	\$ 176,625
INVESTMENTS	46,850	--	--	130,029
RECEIVABLES (NET)	2,997	867	--	14,071
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	14	--	23,466
DUE FROM FEDERAL GOVERNMENT	--	--	--	3,403
INVENTORIES	82	--	--	776
PREPAYMENTS	16	--	37	257
NOTES RECEIVABLE	42	--	--	459
OTHER CURRENT ASSETS	345	--	--	2,862
TOTAL CURRENT ASSETS	<u>116,279</u>	<u>6,454</u>	<u>256</u>	<u>351,948</u>
<b>NONCURRENT ASSETS:</b>				
<b>RESTRICTED ASSETS:</b>				
CASH	1,158	9,568	--	14,234
INVESTMENTS	--	--	--	6,204
RECEIVABLES (NET)	3	--	--	10,833
NOTES RECEIVABLE	--	--	--	34,664
INVESTMENTS	--	--	--	24,211
<b>CAPITAL ASSETS (NOTE 5)</b>				
LAND	14,142	1,228	--	26,843
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	5,405	37,871	--	105,119
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	6,889	715	249	14,307
INFRASTRUCTURE (NET OF DEPRECIATION)	48,639	23,226	--	75,768
CONSTRUCTION IN PROGRESS	23,070	661	--	36,331
OTHER NONCURRENT ASSETS	21	134	--	9,246
TOTAL NONCURRENT ASSETS	<u>99,327</u>	<u>73,403</u>	<u>249</u>	<u>357,760</u>
TOTAL ASSETS	<u>\$ 215,606</u>	<u>\$ 79,857</u>	<u>\$ 505</u>	<u>\$ 709,708</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES:</b>				
ACCOUNTS PAYABLE AND ACCRUALS	\$ 5,678	\$ 2,457	\$ 21	\$ 18,683
DEFERRED REVENUES	142	--	3	1,076
AMOUNTS HELD IN CUSTODY FOR OTHERS	5	--	--	5
OTHER CURRENT LIABILITIES	39	--	--	153
<b>CURRENT PORTION OF LONG-TERM LIABILITIES:</b>				
CONTRACTS PAYABLE	300	564	--	864
COMPENSATED ABSENCES PAYABLE	4	--	--	617
CAPITAL LEASE OBLIGATIONS	120	--	--	427
NOTES PAYABLE	11	--	--	7,684
LIABILITIES PAYABLE FROM RESTRICTED ASSETS	--	--	--	973
BONDS PAYABLE	885	9,035	--	10,975
OTHER LONG-TERM LIABILITIES	27	--	--	705
TOTAL CURRENT LIABILITIES	<u>7,211</u>	<u>12,056</u>	<u>24</u>	<u>42,162</u>
<b>LONG-TERM LIABILITIES:</b>				
<b>NONCURRENT PORTION OF LONG-TERM LIABILITIES:</b>				
CONTRACTS PAYABLE	--	8,706	--	8,706
COMPENSATED ABSENCES PAYABLE	1,193	--	--	2,488
CAPITAL LEASE OBLIGATIONS	195	--	--	206
NOTES PAYABLE	--	--	--	15,985
BONDS PAYABLE	3,760	7,985	--	31,533
OTHER LONG-TERM LIABILITIES	--	--	--	5,763
TOTAL LONG-TERM LIABILITIES	<u>5,148</u>	<u>16,691</u>	<u>--</u>	<u>64,681</u>
TOTAL LIABILITIES	<u>12,359</u>	<u>28,747</u>	<u>24</u>	<u>106,843</u>
<b>NET ASSETS:</b>				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	93,731	46,405	249	218,652
<b>RESTRICTED FOR:</b>				
CAPITAL PROJECTS	6,522	--	--	9,881
DEBT SERVICE	131	357	--	801
OTHER PURPOSES	--	--	--	54,321
UNRESTRICTED	102,863	4,348	232	319,210
TOTAL NET ASSETS	<u>203,247</u>	<u>51,110</u>	<u>481</u>	<u>602,865</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 215,606</u>	<u>\$ 79,857</u>	<u>\$ 505</u>	<u>\$ 709,708</u>

\* As of December 31, 2002.

(Concluded)

# State of Louisiana

## COMBINING STATEMENT OF ACTIVITIES

### NONMAJOR COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2003

(EXPRESSED IN THOUSANDS)

		PROGRAM REVENUES			
		CHARGES FOR	OPERATING	CAPITAL	
	EXPENSES	SERVICES	GRANTS AND CONTRIBUTIONS	GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
NONMAJOR COMPONENT UNITS:					
BOARDS AND COMMISSIONS	\$ 7,251	\$ 5,378	\$ --	\$ --	\$ (1,873)
CAPITAL AREA HUMAN SERVICES DISTRICT	22,897	1,243	--	--	(21,654)
GREATER BATON ROUGE PORT COMMISSION *	6,346	4,493	--	7,222	5,369
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	21,239	1,406	2,180	--	(17,653)
KENNER NAVAL MUSEUM COMMISSION	1	--	--	--	(1)
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	5,177	1,866	--	--	(3,311)
LOUISIANA CANCER RESEARCH CENTER	205	--	--	--	(205)
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	7,877	207	--	--	(7,670)
LOUISIANA HOUSING FINANCE AGENCY	64,727	5,340	50,433	--	(8,954)
LOUISIANA NAVAL WAR MEMORIAL COMMISSION*	897	--	138	--	(759)
LOUISIANA PUBLIC FACILITIES AUTHORITY	1,576	2,570	--	--	994
MILLENNIUM PORT AUTHORITY	413	--	119	--	(294)
OTHER LEVEE DISTRICTS	60,578	197	1,079	7,511	(51,791)
SABINE RIVER AUTHORITY	6,722	5,821	--	--	(901)
WHITE LAKE PRESERVATION, INCORPORATED	686	660	250	257	481
TOTAL NONMAJOR COMPONENT UNITS	\$ 206,592	\$ 29,181	\$ 54,199	\$ 14,990	\$ (108,222)

	GENERAL REVENUES		NET ASSETS	
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES	CHANGE IN NET ASSETS	NET ASSETS BEGINNING OF YEAR, AS RESTATED NET ASSETS END OF YEAR
NONMAJOR COMPONENT UNITS:				
BOARDS AND COMMISSIONS	\$ 225	\$ 149	\$ (1,499)	\$ 34,130
CAPITAL AREA HUMAN SERVICES DISTRICT	6,260	16,419	1,025	600
GREATER BATON ROUGE PORT COMMISSION *	--	787	6,156	52,604
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	16,103	1,472	(78)	2,401
KENNER NAVAL MUSEUM COMMISSION	--	--	(1)	3
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	2,422	196	(693)	31,565
LOUISIANA CANCER RESEARCH CENTER	2,863	--	2,658	--
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	8,700	11,119	12,149	91,940
LOUISIANA HOUSING FINANCE AGENCY	--	9,507	553	91,720
LOUISIANA NAVAL WAR MEMORIAL COMMISSION*	122	529	(108)	3,633
LOUISIANA PUBLIC FACILITIES AUTHORITY	--	692	1,686	17,460
MILLENNIUM PORT AUTHORITY	188	1	(105)	228
OTHER LEVEE DISTRICTS	2,158	38,756	(10,877)	214,124
SABINE RIVER AUTHORITY	--	251	(650)	51,760
WHITE LAKE PRESERVATION, INCORPORATED	--	--	481	--
TOTAL NONMAJOR COMPONENT UNITS	\$ 39,041	\$ 79,878	\$ 10,697	\$ 592,168

\* For the period ending December 31, 2002.





# III. STATISTICAL SECTION

# State of Louisiana

## MISCELLANEOUS STATISTICS

Date Entered the Union (18th state)	April 30, 1812
Land Area	43,411 square miles
Number of Parishes	64
Capital	Baton Rouge
Form of Government	Legislative - Executive - Judicial
Number of State Representatives	105
Number of State Senators	39
State Symbols:	
Flower	Magnolia
Tree	Bald Cypress
Bird	Eastern Brown Pelican
Dog	Catahoula Leopard Dog
Insect	Honeybee
Fruit	Strawberry
Saltwater Fish	Speckled Trout
Miles of Roads and Streets Open to Traffic:	60,917
State Highways	16,699
Parish Roads	33,311
City Streets	10,907
Number of Bridges in Louisiana: *	13,274
Bridges on State Highway System	7,869
Bridges off State Highway System	5,405
State Police Protection:	
Number of Troops	9
Number of State Police Employees	1,587
Number of State Employees:	
Classified	72,776
Unclassified	36,213
Recreation:	
Number of State Parks	24
Area of State Parks	30,664 acres
Number of State Historic Sites	21
Area of State Historic Sites	2,617 acres

Sources: (1) Louisiana Department of Culture, Recreation, and Tourism,  
Office of Tourism and Office of State Parks  
(2) Louisiana Department of Transportation and Development,  
Traffic and Planning Section and Bridge Maintenance Section  
(3) Louisiana Department of Public Safety and Corrections  
(4) Office of State Uniform Payroll and LSU Health Care Services Division  
\* Information for 2003 is unavailable.

# State of Louisiana

## GENERAL GOVERNMENTAL REVENUES BY CATEGORY LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

REVENUES REFLECT INTERAGENCY TRANSFER ELIMINATION.

	2002-2003	2001-2002	2000-2001	1999-2000
<b>GOVERNMENTAL FUND TYPES</b>				
INTERGOVERNMENTAL REVENUES:				
FEDERAL GRANTS	\$ 6,271,393	\$ 5,767,877	\$ 5,042,996	\$ 4,574,074
TRANSPORTATION TRUST-FEDERAL	496,007	435,703	381,938	410,920
NON-FEDERAL REVENUES	56,665	34,254	12,721	19,686
<b>TOTAL INTERGOVERNMENTAL REVENUES</b>	<b>6,824,065</b>	<b>6,237,834</b>	<b>5,437,655</b>	<b>5,004,680</b>
TAXES:				
ALCOHOLIC BEVERAGE TAX	16,284	16,286	15,852	16,433
BEER TAX	36,431	35,074	36,523	38,490
CORPORATION FRANCHISE TAX	187,447	247,470	248,546	269,383
EXCISE LICENSE TAX	162,718	141,517	103,790	95,919
GIFT TAX	5,571	4,316	4,570	5,138
INHERITANCE TAX	53,522	64,679	78,360	90,439
INCOME TAX	1,985,248	2,051,630	2,062,021	1,766,458
LOUISIANA RECOVERY DISTRICT	-	-	-	-
LOUISIANA TOURISM PROMOTION	18,194	19,394	20,765	16,131
LOUISIANA SALES AND USE TAX	2,221,477	2,625,455	2,664,821	2,313,475
SEVERANCE TAX	425,511	496,498	445,004	405,504
TOBACCO TAX	82,071	128,521	96,583	89,644
TRANSPORTATION TRUST FUND	446,706	452,659	435,649	437,210
TIMED ACCOUNT	54,060	33,903	33,902	33,906
OTHER TAXES	597,295	229,232	206,071	163,610
<b>TOTAL TAXES</b>	<b>6,292,535</b>	<b>6,546,634</b>	<b>6,452,457</b>	<b>5,741,740</b>
GAMING:				
RIVERBOAT	335,582	335,821	285,895	263,879
VIDEO DRAW POKER	162,690	152,084	142,036	130,102
MISCELLANEOUS	84,523	64,829	97,045	71,320
<b>TOTAL GAMING</b>	<b>582,795</b>	<b>552,734</b>	<b>524,976</b>	<b>465,301</b>
TOBACCO SETTLEMENT	66,234	1,135,519	141,262	174,735
USE OF MONEY AND PROPERTY:				
INTEREST INCOME ON INVESTMENTS	226,593	167,261	134,924	118,944
INCOME - ROYALTIES ON LAND	261,172	258,654	408,531	240,112
INCOME - RENTALS AND BONUSES ON LAND	38,277	38,386	43,305	33,398
OTHER USE OF MONEY AND PROPERTY	301,191	101,156	150,745	105,651
<b>TOTAL USE OF MONEY AND PROPERTY</b>	<b>827,233</b>	<b>565,457</b>	<b>737,505</b>	<b>498,105</b>
LICENSES, PERMITS AND FEES	546,596	534,581	500,892	490,905
SALES OF COMMODITIES AND SERVICES	910,719	759,136	682,046	614,899
OTHER REVENUE SOURCES	773,508	1,191,539	789,675	378,233
<b>TOTAL GOVERNMENTAL REVENUES</b>	<b>\$ 16,823,685</b>	<b>\$ 17,523,434</b>	<b>\$ 15,266,468</b>	<b>\$ 13,368,598</b>

# State of Louisiana

1998-1999	1997-1998	1996-1997	1995-1996	1994-1995	1993-1994
\$ 4,476,487	\$ 4,269,441	\$ 4,548,647	\$ 4,605,557	\$ 4,470,861	\$ 4,680,300
328,895	278,244	241,876	266,481	237,948	247,230
16,663	18,028	23,140	66,379	67,984	28,431
<u>4,822,045</u>	<u>4,565,713</u>	<u>4,813,663</u>	<u>4,938,417</u>	<u>4,776,793</u>	<u>4,955,961</u>
13,663	16,131	15,636	16,030	16,210	15,516
36,481	36,173	34,406	36,926	37,594	34,540
296,490	251,170	243,972	233,516	267,800	257,638
128,505	117,728	123,248	149,244	149,280	152,110
9,247	5,273	3,832	3,502	3,266	4,006
86,726	84,513	73,903	54,805	57,966	48,571
1,788,325	1,782,804	1,648,905	1,488,407	1,326,257	1,200,058
-	-	145,429	558,569	485,290	472,847
17,554	17,911	16,803	16,410	16,395	14,305
2,257,334	2,240,099	2,051,822	1,622,589	1,490,235	1,415,848
261,263	352,109	419,423	349,069	377,736	364,407
85,441	87,198	88,249	87,935	88,856	81,904
428,867	424,355	395,283	401,212	389,974	372,060
35,008	106,089	35,310	100,303	35,310	34,913
123,255	58,110	69,294	61,638	84,068	93,123
<u>5,568,159</u>	<u>5,579,663</u>	<u>5,365,515</u>	<u>5,180,155</u>	<u>4,826,237</u>	<u>4,561,846</u>
252,072	235,531	233,643	219,298	171,627	-
188,678	182,695	170,826	174,487	141,488	-
3,778	4,886	4,838	-	-	-
<u>444,528</u>	<u>423,112</u>	<u>409,307</u>	<u>393,785</u>	<u>313,115</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
127,897	168,946	148,372	122,033	129,054	94,096
150,966	209,692	258,320	247,725	208,365	315,002
41,041	68,840	70,818	50,873	30,126	17,195
120,708	179,066	132,608	97,876	106,481	406,493
<u>440,612</u>	<u>626,544</u>	<u>610,118</u>	<u>518,507</u>	<u>474,026</u>	<u>832,786</u>
468,549	465,963	465,327	416,874	354,215	357,857
574,718	573,539	497,386	547,326	539,052	386,387
<u>331,270</u>	<u>273,917</u>	<u>325,313</u>	<u>252,282</u>	<u>298,411</u>	<u>515,490</u>
\$ <u>12,649,881</u>	\$ <u>12,508,451</u>	\$ <u>12,486,629</u>	\$ <u>12,247,346</u>	\$ <u>11,581,849</u>	\$ <u>11,610,327</u>

# State of Louisiana

## GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

EXPENDITURES REFLECT INTERAGENCY TRANSFER ELIMINATION.

	2002-2003	2001-2002	2000-2001	1999-2000
GENERAL GOVERNMENT	\$ 2,121,596	\$ 1,872,348	\$ 1,811,091	\$ 1,641,857
CULTURE, RECREATION AND TOURISM	60,647	59,745	52,033	56,715
TRANSPORTATION AND DEVELOPMENT	323,289	303,177	301,090	289,538
PUBLIC SAFETY	221,504	223,170	193,831	187,412
HEALTH & HOSPITALS	6,625,988	6,704,422	4,931,245	4,382,625
CORRECTIONS	611,685	594,467	569,342	578,765
CONSERVATION AND ENVIRONMENT	234,402	219,965	182,962	203,230
EDUCATION	4,674,987	4,335,452	3,241,000	3,122,483
OTHER	4,793	1,104	2,911	3,321
INTERGOVERNMENTAL	365,818	322,075	302,591	329,409
DEBT SERVICE	<u>152,057</u>	<u>59,845</u>	<u>45,023</u>	<u>17,639</u>
GENERAL FUND	<u>15,396,766</u>	<u>14,695,770</u>	<u>11,633,119</u>	<u>10,812,994</u>
SPECIAL REVENUE FUNDS	242,592	309,046	117,564	124,834
DEBT SERVICE FUNDS	353,120	304,966	284,692	140,575
CAPITAL OUTLAY FUNDS	1,159,534	1,009,660	845,563	1,050,433
PERMANENT FUNDS	<u>1,228</u>	<u>1,121</u>	<u>775</u>	<u>703</u>
TOTAL GOVERNMENTAL FUND TYPES AND PERMANENT FUNDS	\$ <u>17,153,240</u>	\$ <u>16,320,563</u>	\$ <u>12,881,713</u>	\$ <u>12,129,539</u>

# State of Louisiana

	1998-1999	1997-1998	1996-1997	1995-1996	1994-1995	1993-1994
\$	1,560,067	\$ 1,379,171	\$ 1,336,118	\$ 1,304,935	\$ 1,300,814	\$ 1,145,202
	54,867	45,426	40,649	35,194	34,926	28,019
	279,518	276,679	244,976	236,536	235,452	227,661
	179,542	170,055	155,148	178,259	167,642	145,395
	4,195,980	4,092,231	4,626,809	4,868,926	4,733,069	4,738,301
	487,964	437,170	406,689	378,229	358,281	320,429
	187,032	193,317	166,337	143,282	132,133	131,798
	3,198,641	3,055,941	2,854,205	2,698,166	2,643,175	2,518,359
	2,746	2,863	2,696	--	--	32,001
	340,926	328,561	339,656	303,513	247,195	245,421
	68,992	167,010	382,392	184,625	145,120	44,165
	<u>10,556,275</u>	<u>10,148,424</u>	<u>10,555,675</u>	<u>10,331,665</u>	<u>9,997,807</u>	<u>9,576,751</u>
	81,537	95,458	99,420	96,404	98,190	98,997
	229,448	260,771	637,874	467,281	555,563	549,438
	923,521	833,602	641,547	664,984	635,504	649,894
	595	1,209	602	790	588	427
\$	<u>11,791,376</u>	<u>11,339,464</u>	<u>11,935,118</u>	<u>11,561,124</u>	<u>11,287,652</u>	<u>10,875,507</u>

# State of Louisiana

## TAX RATE BY MAJOR SOURCES OF REVENUE

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
<u>Alcoholic Beverage Taxes</u>		
Beer Tax	Department of Revenue	\$10 per 31-gallon barrel. This includes all alcoholic beverages with alcohol content of 6% or less.
Liquor and Wine Tax	Department of Revenue	\$0.66 per liter on liquor; \$0.42 per liter on sparkling wine; \$0.03 per liter on still wine with alcoholic content not over 14%; \$0.06 per liter on still wine with alcoholic content over 14% but not over 24%.
<u>Corporation Franchise Tax</u>		
	Department of Revenue	\$1.50 per \$1,000 of capital stock, surplus, undivided profits, and borrowed capital (taxable base) up to \$300,000 and \$3 for each \$1,000 of taxable base over \$300,000. The minimum amount of tax paid by a corporation is \$10 per year.
<u>Gasoline Tax</u>		
	Department of Revenue	\$0.20 per gallon. Petroleum Products Testing Fee – the fee for testing the quality and quantity of petroleum products is 1/32 cent per gallon, which was collected through August 31, 2003. Effective September 1, 2003, the fee was raised to 4/32 cents per gallon.
<u>Hazardous Liquid Pipeline Tax</u>		
	Department of Revenue	Annual tax of \$15 per mile, or fraction thereof, of hazardous liquids pipeline operated.
<u>Hazardous Waste Disposal Tax</u>		
	Department of Revenue	\$30 per dry-weight ton for waste disposed of on-site, \$40 per dry-weight ton for waste disposed of off-site from where generated, and \$100 per dry-weight ton on extremely hazardous waste disposed of in Louisiana.
<u>Income Tax</u>		
Corporate income tax	Department of Revenue	4% on the first \$25,000 of net taxable income; 5% on the next \$25,000; 6% on the next \$50,000; 7% on the next \$100,000; and 8% on all net taxable income in excess of \$200,000.
Individual income tax	Department of Revenue	The taxpayer's federal adjusted gross income, less federal income tax is used as the entry to Louisiana's tax tables. For taxable period January 1, 2002, through December 31, 2002 the taxpayer is allowed to deduct 57.5 percent of excess federal itemized deductions in arriving at Louisiana tax table income. The deduction for excess itemized deductions has been repealed for all taxable periods beginning after December 31, 2002. For taxable periods beginning January 1, 2002 through December 31, 2002, the rate of tax for taxpayers filing as single, married filing separately, or head of household is: 2% on the first \$10,000 of taxable income; 4% on the next \$40,000; and 6% on taxable income over \$50,000. Married persons filing a joint return or qualifying surviving spouses are taxed at the following rates: 2% on the first \$20,000; 4% of the next \$80,000; and 6% of taxable income in excess of \$100,000. For taxable periods beginning after December 31, 2002, the rate of tax for taxpayers filing as single, married filing separately, or head of household is: 2% on the first \$12,500; 4% on the next \$12,500 and 6% on the taxable income above \$25,000. Married persons filing a joint return or qualifying surviving spouses are taxed at the following rates: 2% on the first \$25,000; 4% on the next \$25,000 and 6% on the taxable income above \$50,000. The combined personal exemption and standard deduction is \$4,500 for single individuals and married persons filing separately, and \$9,000 for married couples filing jointly or qualified surviving spouses and heads of households. The dependency deduction is \$1,000 per dependent, \$1,000 each for taxpayer and/or spouse who is over 65 years old, and \$1,000 each for taxpayer and/or spouse who is blind.
<u>Inheritance Tax</u>		
	Department of Revenue	Direct descendants by blood or affinity, ascendants, or surviving spouses are taxed at the following rates: 0% is due on the first \$25,000; 2% on the next \$20,000; and 3% on the amount in excess of \$45,000. If the date of death occurred during the calendar year 1992 or thereafter, the total value to the surviving spouse is exempted from tax. Collateral relations (including brothers and sisters by affinity and their descendants) are taxed at the following rates: 0% is due on the first \$1,000; 5% is due on the next \$20,000; and 7% on the amount in excess of \$21,000. Other recipients are taxed at the following rates: 0% is due on the first \$500; 5% is due on the next \$5,000; and 10% on the amount in excess of \$5,500. The inheritance tax is being phased out as follows: For deaths occurring after June 30, 1998, and before July 1, 2001, the tax rates are reduced by 18%. For deaths occurring after June 30, 2001, and before July 1, 2002, the tax rates are reduced by 40%. For deaths occurring after June 30, 2002, and before July 1, 2003, the tax rates are reduced by 60%. For deaths occurring after June 30, 2003, the tax rates are reduced by 80%. For deaths occurring after June 30, 2004, the inheritance tax will not apply if a judgment of possession is rendered or when a succession is opened no later than the last day of the ninth month following the death of the decedent.

(Continued)



# State of Louisiana

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
<u>Insurance Excise License Tax</u>	Department of Insurance	<p>A. The tax rate for life, accident, health and service is \$140 for annual premiums up to \$7,000 and \$225 for each additional \$10,000 or fraction thereof.</p> <p>B. The rate for fire, marine, transportation and casualty and surety is \$185 for annual premiums up to \$6,000 and \$300 for each additional \$10,000 or fraction thereof.</p>
<u>Mineral Resources - Royalties and Bonuses</u>	Department of Natural Resources	<p>These are not taxes. However, all oil and gas leases provide for a bonus which is bid on at the time the lease is given. Leasehold payments contained within the lease form, such as "delay rentals," "in-lieu royalty," and deferred development" payments, and royalty which is bid on at the lease sale cannot, by statutory law, be less than 1/8<sup>th</sup> of the value of production. Mineral leases for solid mineral, such as sulfur, potash, salt, or lignite, provide for a royalty based on tonnage production at a market price paid per ton.</p>
<u>Motor Vehicle - Licenses and Fees</u>	Department of Public Safety	<p>A. The minimum vehicle registration license tax is \$20 biannually for private passenger vehicles purchased before January 1, 1990. If purchased after January 1, 1990, the registration is based on the value of the vehicle – .1% of the value of the vehicle per year, with a minimum base of \$10,000. The license plates are sold in two year increments, therefore, the minimum price is \$20.00. The registration fee is \$40 (four-year increments) for trucks up to 6,000 pounds and the fees vary annually for trucks over 6,000 pounds depending on the use and the gross axle weight (usually from \$10 to \$480).</p> <p>B. Driver's license fees range from \$13.50 to \$36.00 for four years for drivers of private vehicles. Other driver's license fees may vary.</p> <p>C. A fee not to exceed \$3 per service or transaction, at a local field office, enacted by LRS 32:429, is used solely to defray cost of operations of that office not fully funded by the State.</p>
<u>Natural Gas Franchise</u>	Department of Revenue	1% of the gross receipts from the operation of franchises or charters in the State.
<u>Transportation and Communications Utilities Tax</u>	Department of Revenue	2% of the gross receipts from intrastate business.
<u>Sales Tax</u>	Department of Revenue	<p>4% sales tax is collected on the sale, use, consumption, distribution, or storage for use or consumption of any tangible personal property, on retail sales, leases, and rentals, and on <u>certain</u> sales of services including repairs of tangible personal property; 3% aggregate sales tax is collected on telecommunications and certain prepaid telephone services. Most statutory exemptions have been partially and temporarily suspended from July 1, 1986, through June 30, 2004, and are currently taxed at the suspended rate of 4% except for sales of electricity, water, natural gas and steam for other than residential use. The tax rate on these items is 3.8% from July 1, 2003 through June 30, 2004. Effective July 1, 2003, purchases of food for home consumption, and electricity and natural gas for residential use are fully exempt from the state sales tax.</p>
<u>Severance Tax</u>	Department of Revenue	<p>A. The tax on oil/condensate is based on the value. The full rate of oil/condensate is 12.5% of the value. The incapable oil rate is 6.25% of the value. The stripper oil rate is 3 1/8% of the value. Stripper oil is exempt as long as the average value is less than \$20 per barrel.</p> <p>B. The severance tax on natural gas is based on per thousand cubic feet. The full rate is adjusted annually on July 1, and may never be less than 7 cents per thousand cubic feet. As of July 1, 2003, the full rate is \$0.171 per thousand cubic feet at 15.025 pounds per square inch absolute. The rate on incapable oil well gas is \$0.03 per thousand cubic feet. The rate on incapable gas well gas is \$0.013 per thousand cubic feet.</p> <p>C. The tax rate on sulfur is \$1.03 per long-ton (2,240 pounds).</p> <p>D. The tax rate on salt is \$0.06 per ton.</p> <p>E. The tax rates on timber are 2.25% of stumpage value and 5% of stumpage value of pulpwood.</p> <p>F. The tax rate on shell and sand is \$0.06 per ton.</p> <p>G. The tax rate on stone is \$0.03 per ton.</p> <p>H. The tax rate on lignite is \$0.12 per ton.</p> <p>I. The tax rate on marble is \$0.20 per ton.</p>
<u>Special Fuels Tax</u>	Department of Revenue	The tax on special fuels is levied at a rate of \$0.20 per gallon on motor fuel other than gasoline.
<u>Surface Mining and Reclamation Fee</u>	Department of Revenue	The fee on coal and lignite mined in Louisiana is \$0.08 per ton.
<u>Tobacco Tax</u>	Department of Revenue	<p>An excise tax is imposed on the first dealer who handles a tobacco product in the State. Cigars invoiced up to \$120 per thousand are taxed at 8% of the manufacturer's net invoice price, whereas cigars invoiced over \$120 per thousand are taxed at 20% on the net invoice price. The tax rate on smoking tobacco is computed at 33% of the invoice price to wholesalers. The tax rate on smokeless tobacco is 20% of the invoice price. The tax rate on cigarettes is \$0.018 per cigarette.</p>

(Concluded)

# State of Louisiana

## RATIO OF GENERAL OBLIGATION ANNUAL DEBT SERVICE EXPENDITURES TO GENERAL GOVERNMENTAL EXPENDITURES – LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL (1) DEBT SERVICE	GENERAL (2) GOVERNMENTAL EXPENDITURES	RATIO DEBT SERVICE TO TOTAL GOVERNMENTAL EXPENDITURES
2002-2003	\$ 226,472	\$ 126,442	\$ 352,914	\$ 15,992,478	2.21%
2001-2002	201,319	102,709	304,028	15,309,782	1.99%
2000-2001	175,856	106,837	282,693	12,049,886	2.35%
1999-2000	34,566	104,129	138,695	11,112,274	1.25%
1998-1999	118,963	109,883	228,846	10,897,074	2.10%
1997-1998	136,221	121,664	257,885	10,528,662	2.45%
1996-1997	488,079	142,195	630,274	11,315,991	5.57%
1995-1996	275,017	183,380	458,397	10,919,795	4.20%
1994-1995	348,977	198,652	547,629	10,676,068	5.13%
1993-1994	335,202	204,253	539,455	10,263,438	5.25%

(1) Totals do not include self-supporting issues.

(2) Expenditures do not include Capital Outlay and Permanent Funds of the State oversight unit.

The defeasement of certain General Obligation Bond payments (principal and interest) using the General Fund Undesignated Fund Balance are as follows:

2002-03, \$95,395; 2001-02, \$23,044; 2000-01, \$22,997; 1998-99, \$52,361; 1997-98, \$155,783; 1996-97, \$393,368; 1995-96, \$149,804; and 1994-95, \$110,552

The General Obligation Bonds had advance refunding in the following amounts (principal only): 2000-01, \$125,365; 1997-98, \$350,620; 1995-96, \$443,980; and 1992-93, \$479,270.

SOURCE: Office of Statewide Reporting and Accounting Policy

## COLLEGE AND UNIVERSITY REVENUE BONDS FOR THE LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	PRINCIPAL TO MATURITY	INTEREST TO MATURITY
2002-2003	\$ 51,851	\$ 13,611	\$ 65,462	\$ 391,386	\$ 304,936
2001-2002	12,494	12,435	24,929	224,257	141,720
2000-2001	22,637	10,415	33,052	189,770	138,227
1999-2000	12,603	7,955	20,558	194,353	146,991
1998-1999	16,408	7,748	24,156	164,047	103,070
1997-1998	13,713	6,993	20,706	137,759	78,877
1996-1997	10,237	6,258	16,495	133,232	76,328
1995-1996	11,736	5,137	16,873	93,210	34,475
1994-1995	12,763	5,491	18,254	101,256	39,598
1993-1994	12,643	4,703	17,346	108,648	45,977

SOURCE: Office of Statewide Reporting and Accounting Policy

# State of Louisiana

## BANK DEPOSITS AND INDIVIDUAL INTERNAL REVENUE SERVICE COLLECTIONS FOR THE LAST TEN CALENDAR YEARS

(EXPRESSED IN THOUSANDS)

	BANK DEPOSITS (1)	INDIVIDUAL IRS COLLECTIONS (2)
2002	\$18,199,164	\$21,328,978
2001	16,989,583	17,775,613
2000	15,531,913	14,375,892
1999	15,158,462	13,560,698
1998	14,767,227	16,458,101
1997	16,044,284	*
1996	17,553,517	13,281,575
1995	17,103,093	12,725,191
1994	17,089,497	13,134,569
1993	17,362,690	12,934,843

\* Information is not available because the IRS only provided the total of individual income tax collections by district instead of by state.

SOURCES: (1) Office of Financial Institutions

(2) Internal Revenue Service

## 25 LARGEST PRIVATE EMPLOYERS IN LOUISIANA\*

Wal-Mart Stores, Inc.  
Winn Dixie Louisiana, Inc.  
The Hibernia National Bank  
Exxon Mobil Corporation  
Avondale Shipyards  
BellSouth Telecommunications  
Tulane University  
Willis-Knighton Medical Center, Inc.  
Burger King, Corp.  
Alton Ochsner Foundation Hospital  
Sears Roebuck & Co.  
Our Lady of the Lake Medical Center  
The Home Depot  
Dillard's Department Stores, Inc.  
International Paper Co., Inc.  
Albertsons  
General Health, Inc.  
Brookshire Grocery Co., Inc.  
The Shaw Group, Inc.  
Halliburton Energy Services  
Columbia Health Care Corp.  
Conagra Poultry  
Tenet Health System Memorial Hospital  
United Parcel Service, Inc.  
International Maintenance Corp.

\* This table includes only those employers that voluntarily supplied information and is stated in descending order. Since current year information is not available, the table is as of the first quarter of 2002.

SOURCE: Louisiana Department of Labor

# State of Louisiana

## POPULATION AND EMPLOYMENT TRENDS FOR THE LAST TEN CALENDAR YEARS

YEAR	POPULATION (A) (B) (1)	MEDIAN AGE (1)	CIVILIAN LABOR FORCE (A) (2)	EMPLOYMENT (A) (2)	LOUISIANA UNEMPLOYMENT NUMBER (A) (2)	LOUISIANA UNEMPLOYMENT RATE (2)	U.S. UNEMPLOYMENT RATE (2)
2002	4,483	34.5	2,006	1,883	123	6.1 %	5.8 %
2001	4,465	34.3	2,050	1,928	122	6.0	4.8
2000	4,469	34.0	2,030	1,917	113	5.5	4.0
1999	4,372	34.1	2,052	1,948	104	5.1	4.2
1998	4,369	33.9	2,063	1,945	118	5.7	4.5
1997	4,352	33.6	2,024	1,900	124	6.1	4.9
1996	4,351	33.0	1,997	1,863	135	6.7	5.4
1995	4,342	32.7	1,956	1,822	135	6.9	5.6
1994	4,315	32.4	1,941	1,785	156	8.0	6.1
1993	4,295	32.1	1,888	1,746	141	7.5	6.8

(A) Expressed in thousands

(B) Population figures are estimated by the U.S. Census Bureau and are revised yearly; however, only the original estimates are reported here

SOURCES: (1) U.S. Census Bureau  
(2) Louisiana Department of Labor

## PERSONAL INCOME AND GROSS STATE PRODUCT IN CURRENT DOLLARS AND ADJUSTED FOR INFLATION FOR THE LAST TEN CALENDAR YEARS

YEAR	PER CAPITA PERSONAL INCOME (A) (1)	PER CAPITA PERSONAL INCOME (INFLATION ADJUSTED) (A)	PER CAPITA DISPOSABLE PERSONAL INCOME (A) (1)	PER CAPITA DISPOSABLE PERSONAL INCOME (INFLATION ADJUSTED) (A)	GROSS STATE PRODUCT (B) (C) (1)	GROSS STATE PRODUCT (INFLATION ADJUSTED) (B)	CONSUMER PRICE INDEX (2)
2002	\$25,370	\$14,102	\$22,866	\$12,710	*	*	179.9
2001	24,084	13,599	21,286	12,019	148,697	83,962	177.1
2000	23,041	13,380	20,347	11,816	137,700	79,965	172.2
1999	22,847	13,705	20,171	12,100	128,959	77,359	166.7
1998	21,385	13,112	18,810	11,533	129,251	79,246	163.1
1997	20,473	12,748	18,138	11,294	124,350	77,428	160.6
1996	19,664	12,525	17,605	11,213	117,633	74,925	157.0
1995	18,891	12,388	17,088	11,205	112,497	73,769	152.5
1994	17,615	11,878	15,712	10,595	106,515	71,824	148.3
1993	16,667	11,526	14,947	10,337	99,820	69,032	144.6

\* The information for this year is not available.

(A) Expressed in dollars

(B) Expressed in millions

(C) Gross state product figures are estimated by the Bureau of Economic Analysis, U.S. Department of Commerce, and are revised yearly; however, only the original estimates are reported here.

SOURCES: (1) Survey of Current Business, United States Department of Commerce, Bureau of Economic Analysis  
(2) U. S. Economic Outlook

# State of Louisiana

## REVENUE BOND COVERAGE FOR THE LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS EXCEPT COVERAGE RATIO)

	Fiscal Year Ended June 30	Gross Revenue	Direct Operating Expenses	Available for Debt Service	Principal	Interest	Annual Debt Service	Coverage Ratio
<b>Primary Government</b>								
<b>Louisiana Office Building Corporation **</b>								
	2003	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	--
	2002	--	--	--	--	--	--	--
	2001	--	--	--	--	--	--	--
	2000	274	89	185	130	6	136	1.36
	1999	360	60	300	585	34	619	0.48
	1998	346	77	269	485	57	542	0.50
	1997	261	191	70	550	83	633	0.11
	1996	277	625	(348)	495	107	602	(0.58)
	1995	364	2,100	(1,736)	110	112	222	(7.82)
	1994	293	1,695	(1,402)	460	134	594	(2.36)
<b>Louisiana Correctional Facilities Corporation</b>								
	2003	\$ 9,967	\$ 133	\$ 9,834	\$ 38,705	\$ 2,524	\$ 41,229	0.24
	2002	5,766	53	5,713	15,290	2,304	17,594	0.32
	2001	6,523	28	6,495	14,315	3,093	17,408	0.37
	2000	121	1,420	(1,299)	13,435	3,805	17,240	(0.08)
	1999	246	3,078	(2,832)	12,645	4,444	17,089	(0.17)
	1998	737	1,193	(456)	11,925	5,022	16,947	(0.03)
	1997	313	77	236	11,280	5,544	16,824	0.01
	1996	380	65	315	10,710	6,012	16,722	0.02
	1995	364	69	295	10,100	6,535	16,635	0.02
	1994	240	309	(69)	9,595	6,967	16,562	(0.00)
<b>Louisiana Office Facilities Corporation</b>								
	2003	\$ 22,844	\$ 11,952	\$ 10,892	\$ 6,775	13,001	\$ 19,776	0.55
	2002	19,592	7,267	12,325	6,500	14,360	20,860	0.59
	2001	11,421	3,267	8,154	1,075	8,444	9,519	0.86
	2000	9,024	3,250	5,774	820	5,651	6,471	0.89
	1999	3,278	3,634	(356)	670	1,025	1,695	(0.21)
	1998	4,961	2,451	2,510	625	1,071	1,696	1.48
	1997	4,846	2,078	2,768	585	1,114	1,699	1.63
	1996	4,197	1,984	2,213	550	1,153	1,703	1.30
	1995	3,920	2,034	1,886	515	1,189	1,704	1.11
	1994	3,764	1,682	2,082	485	1,221	1,706	1.22
<b>Component Units:</b>								
<b>Orleans Levee District</b>								
	2003	\$ 15,158	\$ 22,833	\$ (7,675)	\$ 1,395	\$ 1,786	\$ 3,181	(2.41)
	2002	16,098	22,600	(6,502)	1,310	1,866	3,176	(2.05)
	2001	13,143	10,559	2,584	1,230	1,941	3,171	0.81
	2000	11,306	7,976	3,330	1,183	3,053	4,236	0.79
	1999	9,883	5,684	4,199	1,118	3,109	4,227	0.99
	1998	10,523	6,290	4,233	1,066	3,167	4,233	1.00
	1997	11,467	7,364	4,103	33,898	5,955	39,853	0.10
	1996	13,411	6,864	6,547	912	5,282	6,194	1.06
	1995	14,559	8,909	5,650	4,500	5,585	10,085	0.56
	1994	12,352	8,666	3,686	1,102	5,491	6,593	0.56
<b>Greater Baton Rouge Port Commission</b>								
	2003	\$ 5,280	\$ 3,850	\$ 1,430	\$ 285	\$ 477	\$ 762	1.88
	2002	6,391	4,136	2,255	270	499	769	2.93
	2001	4,899	3,217	1,682	260	520	780	2.16
	2000	4,154	2,849	1,305	2,730	375	3,105	0.42
	1999	4,025	3,216	809	400	119	519	1.56
	1998	4,316	2,857	1,459	385	82	467	3.12
	1997	4,376	3,288	1,088	370	94	464	2.34
	1996	4,922	3,008	1,914	360	105	465	4.12
	1995	3,700	2,772	928	590	104	694	1.34
	1994	4,188	2,624	1,564	825	145	970	1.61

\* College and University revenue bonds are shown in a separate schedule.

\*\* Bonds paid off in fiscal year 2000.

Source: Office of Statewide Reporting and Accounting Policy

# State of Louisiana

## TOTAL PUBLIC EDUCATION ENROLLMENT IN PUBLIC SCHOOLS, COLLEGES, AND UNIVERSITIES FOR THE LAST TEN SCHOOL YEARS

EDUCATIONAL FACILITY	2002-2003	2001-2002	2000-2001	1999-2000	1998-99	1997-98	1996-97	1995-96	1994-95	1993-94
GRADES K-12 (A)	708,238*	714,020	727,255	738,624	752,897	763,812	775,817	780,000	781,763	783,452
GRAMBLING STATE UNIVERSITY	4,464	4,500	4,716	4,671	5,070	5,864	6,700	6,800	7,609	7,833
LOUISIANA TECH UNIVERSITY	11,257	10,694	10,363	10,014	9,656	9,500	9,272	9,584	9,947	10,041
MCNEESE STATE UNIVERSITY	8,029	7,780	7,634	7,822	7,967	8,131	8,087	8,443	8,726	8,376
NICHOLLS STATE UNIVERSITY	7,332	7,206	7,345	7,367	7,402	7,187	7,210	7,366	7,205	7,071
NORTHWESTERN STATE UNIVERSITY	10,159	9,415	9,292	9,005	8,572	8,873	9,037	9,040	8,761	8,552
SOUTHEASTERN STATE UNIVERSITY	15,195	14,522	14,535	15,199	15,308	15,330	14,592	14,368	13,915	13,168
UNIVERSITY OF LOUISIANA AT LAFAYETTE	16,006	15,489	15,742	16,351	16,933	17,044	16,741	16,902	16,787	16,573
UNIVERSITY OF LOUISIANA AT MONROE	8,162	8,765	9,409	9,864	10,527	10,945	11,128	11,570	11,379	11,571
UNIVERSITY OF LOUISIANA SYSTEM (subtotal)	80,604	78,371	79,036	80,293	81,435	82,874	82,767	84,073	84,329	83,185
COMMUNITY & TECHNICAL COLLEGES (B)	46,447	47,252	38,315	38,315	**	**	**	**	**	**
LOUISIANA STATE UNIVERSITY (B)	62,878	61,391	59,690	59,899	58,409	56,796	55,239	54,670	53,984	54,655
SOUTHERN UNIVERSITY (B)	14,268	14,281	14,632	14,458	15,079	15,214	15,774	15,909	15,504	14,862
TOTAL COLLEGES & UNIVERSITIES	204,197	201,295	191,673	192,965	154,923	154,884	153,780	154,652	153,817	152,702
TOTAL ENROLLMENT IN PUBLIC SCHOOLS, COLLEGES, AND UNIVERSITIES	912,435	915,315	918,928	931,589	907,820	918,696	929,597	934,652	935,580	936,154

\* Preliminary count subject to changes by Board of Elementary and Secondary Education

\*\* Information not available

(A) Does not include enrollment at non-public schools receiving state funding

(B) Includes all campuses and programs

SOURCES: (1) Louisiana Board of Elementary and Secondary Education

(2) Louisiana Board of Regents

## VALUE OF FIRST SALES OF AGRICULTURAL, FISHERIES, GAME, AND TIMBER PRODUCTS FOR THE LAST TEN CALENDAR YEARS

(EXPRESSED IN THOUSANDS)

YEAR	CROPS (1)	LIVESTOCK (1)	FISH AND SHELLFISH (A) (2)	ALLIGATOR AND GAME (B) (C) (3)	TIMBER (D) (4)	TOTAL
2002	\$1,159,194	\$614,049	\$279,989	*	\$568,440	\$2,621,672
2001	1,115,793	701,131	345,091	\$25,614	559,383	2,747,012
2000	1,166,533	653,274	418,918	32,543	654,770	2,926,038
1999	1,227,563	620,036	336,963	24,031	680,314	2,888,907
1998	1,245,131	645,493	291,893	19,127	744,597	2,946,241
1997	1,453,848	655,210	306,528	23,872	610,314	3,049,772
1996	1,669,246	678,694	270,801	24,705	594,396	3,237,842
1995	1,396,783	629,837	315,724	21,139	635,285	2,998,768
1994	1,305,190	703,723	339,782	24,193	554,015	2,926,903
1993	1,073,432	714,511	266,565	16,695	491,266	2,562,469

\* Information not yet available

(A) All fresh- and salt-water species including shrimp

(B) Values of meat and skins or pelts only

(C) Values included for alligator harvest for 2001 are reissued

(D) Estimated stumpage value of severed timber delivered to mills

SOURCES: (1) State Financial Summary, Economic Research Service, USDA

(2) U.S. Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service

(3) Louisiana Department of Wildlife and Fisheries, Office of Wildlife, Game Division

(4) Louisiana Department of Agriculture and Forestry, Office of Forestry, Louisiana Forest Products, Quarterly Market Report

# State of Louisiana

## DEBT SERVICE REQUIREMENTS PER CAPITA AND GENERAL OBLIGATION DEBT PER CAPITA FOR THE LAST TEN YEARS

YEAR	POPULATION * (1)	GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS TO MATURITY * (2)	SELF- SUPPORTING DEBT SERVICE REQUIREMENTS TO MATURITY * (2)	STATE SUPPORTED DEBT SERVICE REQUIREMENTS TO MATURITY *(2)	STATE SUPPORTED DEBT SERVICE INTEREST TO MATURITY * (2)	STATE-SUPPORTED GENERAL OBLIGATION DEBT TO MATURITY * (2)	STATE SUPPORTED DEBT SERVICE PER CAPITA (2)	GENERAL OBLIGATION BONDED DEBT PER CAPITA (2)
2003	**	\$2,885,313	\$40,632	\$2,844,681	\$864,050	\$1,980,631	**	**
2002	4,483	2,823,631	45,613	2,778,018	810,664	1,967,354	\$620	\$439
2001	4,465	2,712,848	51,362	2,661,487	757,069	1,904,418	596	427
2000	4,469	2,421,276	60,462	2,360,814	643,963	1,716,851	528	384
1999	4,372	2,521,989	68,513	2,453,476	739,571	1,713,905	561	392
1998	4,369	2,767,509	89,728	2,677,781	842,020	1,835,761	613	420
1997	4,352	2,823,306	100,075	2,723,231	859,644	1,863,587	626	428
1996	4,351	3,055,575	113,861	2,941,714	859,361	2,082,353	676	479
1995	4,342	3,505,955	128,010	3,377,945	1,037,085	2,340,860	778	539
1994	4,315	3,643,851	149,268	3,494,583	1,037,588	2,456,995	810	569

\* Expressed in thousands

\*\* Current year information not yet available

SOURCES: (1) U.S. Census Bureau  
(2) Office of Statewide Reporting and Accounting Policy

## RATIO OF DEBT SERVICE REQUIREMENTS TO ASSESSED VALUE AND FAIR MARKET VALUE OF ALL TAXABLE PROPERTY FOR THE LAST TEN YEARS

GENERAL OBLIGATION BONDS	DEBT SERVICE REQUIREMENTS TO MATURITY (A) (1)	ASSESSED VALUE OF TAXABLE PROPERTY (A) (B) (2)	RATIO OF DEBT SERVICE TO ASSESSED VALUE OF TAXABLE PROPERTY	FAIR MARKET VALUE OF TAXABLE PROPERTY (A) (2)	RATIO OF DEBT SERVICE TO FAIR MARKET VALUE OF TAXABLE PROPERTY
2003	\$2,885,313	*	*	*	*
2002	2,823,631	\$18,570,082	15.2 %	\$205,190,986	1.4 %
2001	2,712,848	17,937,541	15.1	198,404,561	1.4
2000	2,421,276	17,014,343	14.2	189,438,956	1.3
1999	2,521,989	15,959,286	15.8	176,841,475	1.4
1998	2,767,509	15,226,452	18.2	169,405,728	1.6
1997	2,823,306	14,711,026	19.2	162,173,058	1.7
1996	3,055,575	13,743,189	22.2	154,449,581	2.0
1995	3,505,955	12,567,779	27.9	135,343,917	2.6
1994	3,643,851	12,463,894	29.2	137,163,531	2.7

\* Information not yet available

(A) Expressed in thousands

(B) Does not include values for homestead exemption

SOURCES: (1) Office of Statewide Reporting and Accounting Policy  
(2) Louisiana State Tax Commission

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## GENERAL FUND BALANCE FOR THE LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

	<u>2002-2003</u>	<u>2001-2002</u>	<u>2000-2001</u>	<u>1999-2000</u>	<u>1998-1999</u>
Reserved for inventory	\$ 66,240	\$ 59,563	\$ 52,541	\$ 52,906	\$ 48,384
Reserved for encumbrances	30,622	37,214	33,064	28,418	27,622
Reserved for other specific purposes	231,016	328,221	225,231	293,816	280,726
Unreserved - designated	18,330	--	660	--	--
- undesignated	<u>--</u>	<u>(33,953)</u>	<u>27,251</u>	<u>(80,645)</u>	<u>(26,549)</u>
Total Fund Balance *	\$ <u><u>346,208</u></u>	\$ <u><u>391,045</u></u>	\$ <u><u>338,747</u></u>	\$ <u><u>294,495</u></u>	\$ <u><u>330,183</u></u>

	<u>1997-1998</u>	<u>1996-1997</u>	<u>1995-1996</u>	<u>1994-1995</u>	<u>1993-1994</u>
Reserved for inventory	\$ 47,304	\$ 69,609	\$ 72,362	\$ 76,329	\$ 62,564
Reserved for encumbrances	27,034	47,474	18,415	23,641	14,854
Reserved for other specific purposes	260,742	305,215	175,907	181,500	38,684
Unreserved - designated	8,309	--	2,176	--	266,000
- undesignated	<u>94,163</u>	<u>135,014</u>	<u>318,039</u>	<u>145,689</u>	<u>212,941</u>
Total Fund Balance *	\$ <u><u>437,552</u></u>	\$ <u><u>557,312</u></u>	\$ <u><u>586,899</u></u>	\$ <u><u>427,159</u></u>	\$ <u><u>595,043</u></u>

\* Shown as originally published in the respective CAFRs



# State of Louisiana

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